



Daily Report

East Asia

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Fourth ASEAN Summit Opens in Singapore 27 Jan
BK2701085392 Kuala Lumpur BERNAMA in English
0716 GMT 27 Jan 92

[Text] Singapore, Jan 27 (OANA-BERNAMA)—The six Association of Southeast Asian Nations (ASEAN) heads of government Monday opened their fourth summit here which is set to move the association to greater economic co-operation in the post-cold war era.

ASEAN groups Brunei, Indonesia, Malaysia, Thailand, the Philippines and Singapore.

The meeting began with Philippine President Corazon Aquino handing over chairmanship of the summit to Singapore Prime Minister Goh Chok Tong. Goh then named Thai Prime Minister Anan Panyarachun as the vice-chairman.

After Goh's welcoming speech, each of the other ASEAN leaders delivered opening statements according to the alphabetical order of their countries.

Prime Minister Rabbie Namaliu of Papua New Guinea, which enjoys observer status at ASEAN meetings, was also present at the opening ceremony.

The ASEAN leaders are expected to endorse at their two-day summit three documents—the Singapore Declaration, the framework agreement on enhancing ASEAN economic cooperation and the Common Effective Preferential Tariffs (CEPT) agreement leading to free trade.

The CEPT agreement is regarded as a remarkable achievement of the regional grouping in its 25-year history because intra-ASEAN trade had increased by less than three percent in 20 years. The CEPT scheme will recommend the slashing of tariffs on capital goods and manufactured and processed agricultural products from January 1 next year when it begins to carve the path towards the ASEAN Free Trade Area (AFTA) in 15 years.

Members Resolve To Strengthen Ties

BK2701092192 Kuala Lumpur BERNAMA in English
0818 GMT 27 Jan 92

[Text] Singapore, Jan 27 (OANA-BERNAMA)—Heads of Government of the six-member ASEAN Monday expressed their resolve to move political, economic and security ties between member countries to a higher plane as they began meeting for their fourth summit amidst uncertainties arising from the new world order.

The Association of Southeast Asian Nations (ASEAN) groups Brunei, Indonesia, Malaysia, the Philippines, Thailand and Singapore.

"This meeting is timely because ASEAN needs to consider appropriate responses to the profound changes that have taken place in the world since the last ASEAN

summit in Manila in 1987," Malaysian Prime Minister Dr. Mahathir Mohamed said in his opening statement at the summit.

"The final disposition of the new global political and economic order is uncertain but we must be ready ourselves for all the possible mutations of this order," he added.

Prime Minister Goh Chok Tong of Singapore, who took over chairmanship of the summit from President Corazon Aquino of the Philippines at the start of the opening ceremony, said he did not know what the future would be like and what it meant for South East Asia.

"We cannot stand still in our old positions, or we will be left stranded in the sands of time," he added.

Like Dr. Mahathir, Goh expressed concern over the emergence of powerful regional economic blocs like the Single European market and the North American Free Trade Agreement.

"Whether these two groupings turn out open or closed, they will be a permanent feature of the international political and economic landscape," he added.

Thai Prime Minister Anan Panyarachun spoke of the emergence of a new South East Asia with the end of the cold war, resolution of the Cambodian conflict, and the ties to be forged between the 25-year-old grouping and the Indochinese states.

"I am convinced that economic linkages and interdependence will be the most important factor binding nations in this region together and will in turn ensure the maintenance and promotion of regional security and stability in the long run," he said.

Brunei Sultan Haji Hassanal Bolkiah spoke out against the protectionist policies of certain developed countries.

"The formation of trading blocs and the emphasis on economic regionalism have further complicated the matter and together they form a cloud of uncertainties in the field of international trade," he said, while urging ASEAN to take steps and initiatives to lessen the complexity of the situation.

Aquino said the security requirements of the grouping should be served but at levels that would enable them to keep faith with the ideals and objectives of the Zone of Peace, Freedom and Neutrality (ZOPFAN) and the South East Asia nuclear weapons free zone.

ZOPFAN was initiated by ASEAN in 1971, at the height of the cold war, to keep the region free from super power rivalry.

President Suharto of Indonesia said the speed and scope of changes taking place around ASEAN would inevitably challenge it to reassert its ideals and principal objectives.

Reaffirming Indonesia's commitment to peace and stability in the region, he said the ZOPFAN concept remained of central validity and relevance.

Indonesian President Addresses ASEAN Summit

*BK2701094192 Jakarta Radio Republik Indonesia
Network in Indonesian 0600 GMT 27 Jan 92*

[Speech by Indonesian President Suharto at the Fourth ASEAN Summit in Singapore on 27 January—recorded]

[Text] Your excellency, chairman of the summit! Your excellencies heads of government! Honorable delegates!

First of all, please let me convey friendship greetings from the Indonesian people to the Singapore people! Similarly, I would also like to express deep thanks and respect to the Singapore Government for its fraternal and [word indistinct] welcome!. I would also like to express my similar respect to the Singapore Government as the host of the fourth ASEAN summit for (?good) preparations to enable the summit to take place as scheduled. Please let me congratulate Your Excellency Goh Chok Tong on your election as chairman of the summit.

I am confident that our summit will proceed smoothly and produce something useful for ASEAN under your leadership. Please let me also express a warm welcome to Your Excellency the Papua New Guinean Prime Minister who is present for the first time. Your presence here is a reaffirmation of our strong cooperation and relations.

The fourth ASEAN summit is of special importance because we are living in a world that is undergoing basic changes. Various new [words indistinct] and challenges are emerging. All this has required us to chart a new direction and make new preparations. This summit is timely because ASEAN is entering its 25th year. The summit provides us with good opportunities to see whether the steps we have taken all along are in line with the 1967 ASEAN Declaration.

Your excellencies and honorable delegates! When we agreed to establish ASEAN in 1967, we were living in the throes of the cold war. The international order was marked by conflicts and tension. A regional dispute partly attributed to the Cold War was raging in Southeast Asia. We agreed to establish ASEAN as a regional cooperation forum in response to this situation. ASEAN aims at achieving peace, progress, and prosperity on the basis of the spirit of togetherness and fraternity. We are also determined to shoulder common responsibility for strengthening regional resilience by strengthening our respective national resilience. All this is designed to maintain regional stability and the continuity of national development in each member country. We are all confident that the stability and security of our region in a broad sense will be ensured in the best possible way and free from external interference through our common approach. Over the past 25 years, we have continuously

developed the spirit of togetherness. We have maintained close relations. We have achieved encouraging progress in various fields of our cooperation. We have managed to maintain high economic growth that has contributed to the maintenance of regional stability. Regional stability has in turn benefitted member countries and contributed significantly to world (?stability), peace, and security. ASEAN's success is the fruit of a political consensus among its members to settle all problems peacefully on the basis of equality, respect for each other's sovereignty and territorial integrity, and non-interference in each other's internal affairs. This success has been strengthened by a strong commitment on the part of all ASEAN leaders to maintain high economic growth in each country and to make decisions by consensus on problems of mutual interest. However, we should not become quickly complacent. There is still a long way to go; there are still more corrections and adjustments to make. This is particularly true in response to the challenges which come from within and outside ASEAN. We are required to respond appropriately to this situation to enhance ASEAN's current success. In this respect, ASEAN should adopt a more dynamic and outward-looking attitude.

Your excellencies and honorable delegates; rapid and basic changes that have taken place in the world over the past few years are bound to [words indistinct] the pillars of the international political and economic order which was established after World War II and which is now disintegrating. A new world order is being shaped and still far from being established. [words indistinct] in the East-West relations have led to the end of the cold war. Human thinking, efforts, and resources are now free from a political rivalry and a (?military confrontation) between the two blocs in the world. The easing of international tension has led to an end of tension and conflicts in various parts of the world through peaceful means. We have seen encouraging developments in the Asia-Pacific region. Constructive bilateral and regional approaches between countries in the region will enhance efforts to maintain peace and security in the region. These developments included rapprochement between the Socialist Republic of Vietnam and the PRC, the United States and Japan, and the two Koreas. In addition, the two Koreas have agreed to turn the Korean peninsula as a nuclear-free zone. At present, political cooperation in Southeast Asia has indicated a more peaceful and accommodative atmosphere for the enhancement of relations among countries in the region. This situation is mainly attributed to ASEAN's seriousness about helping settle the Cambodian issue to end the sufferings of the Cambodian people from the endless war and maintaining stability and security in Southeast Asia to enable us to achieve common progress for all countries in the region. We hope that the settlement of the Cambodian issue will serve as a valuable momentum for ASEAN to turn Southeast Asia into a zone of peace, freedom, and neutrality [ZOPFAN].

ASEAN as a strategic territory in the Asia-Pacific region should enhance its constructive role in achieving cooperation, stability, and security on the basis of equality and mutual advantages in Southeast Asia in particular and the Asia-Pacific region in general. For this reason, I would like to reaffirm that the ZOPFAN concept and the principles of mutual respect between big and small countries remain valid. In this connection, the Treaty of Amity and Cooperation in Southeast Asia can serve as a formal means to establish harmonious relations and advantageous cooperation between ASEAN and other countries in Southeast Asia and as a step toward achieving the ZOPFAN concept. This treaty also provides countries outside the region with the opportunity to become witnesses in [words indistinct]. In this connection, Indonesia welcomes the desire of Vietnam and Laos to be signatories to the treaty.

Your excellencies and honorable delegates! Looking at the world economic map, we are concerned over continued striking gap, disparity, and [word indistinct] between the developed and developing countries. We have the obligation to help establish a new world order based on greater prosperity and justice. The development of the ASEAN cooperation has been designed to enhance the people's prosperity because we are aware that stability and security depends on the people's prosperity. Over the past few years, we have vigilantly monitored the currents of economic integration and globalization. This development will have negative effects on the economies of the developing countries if it is followed by the establishment of groups among countries and eventually leads to closed and protectionist economic blocs. It is an undeniable fact that the rapid progress of science and technology has the potential to harm the position of the developing [words indistinct] in addition to giving tangible benefits to the human beings. The progress of science and technology has also drastically altered the patterns of international investments, distribution, and trade, the effects of which have not always benefitted the South countries.

In an era of increasing interdependence and relations, we cannot stand still in response to this situation. We must actively help settle this problem. In international fora, we must [words indistinct]. In regional fora, ASEAN must be able to reap as much benefit as possible from the Asia-Pacific Economic Cooperation [APEC] forum. I am confident that the open APEC is based on interdependence and is not solely designed to enhance Asia's vital interests. APEC can also serve as a shield against trends toward economic blocs. However, we must first strengthen ourselves and enhance intra-ASEAN economic cooperation to ensure that our role and interests are given greater attention. For this reason, there should be a breakthrough and a thinking to turn Southeast Asia into an ASEAN free trade area in 15 years. [passage indistinct] Thus, a smooth flow of goods will be achieved. This will in turn enhance intra-ASEAN trade and augur well for the economic progress of its members.

I would like to note ASEAN's success in other fields. In this connection, I welcome progress achieved in regional cooperation. Various activities involving youth, women, and non-governmental organizations have been undertaken thanks to understanding among our peoples. We simply hope that cooperation and mutual understanding among members of the younger generation will guarantee the continuity of the ASEAN solidarity. We also need to give greater attention to cooperation in the fields of science and technology which are of great importance to the enhancement of the quality of human beings as agents of development. Coinciding with the Visit ASEAN Year 1992, I would like to urge the ASEAN citizens to visit one another's country to broaden their knowledge about these countries and enhance mutual understanding.

We also realize that environment is a humanity problem which we must overcome together. [words indistinct] at the national and regional level within ASEAN. We are developing a concept of continued development with an environmental vision. The protection of environment as a problem affecting the fate and basic interests of all world citizens should be handled on the basis of dialogue among all countries. We should prevent the protection of environment from becoming a new issue or a form of covert protectionism in international economic and development cooperation. In this connection, we hope that a UN-sponsored conference on environment to be held in Brazil this year will produce an agreement on protecting our common heritage for the sake of our future generations.

Your excellencies and honorable delegates! On this occasion, we should also review cooperation between ASEAN and the North countries [words indistinct]. In this connection, cooperation in the fields of science and technology should be further strengthened to improve the quality of human resources. We are happy that ASEAN as a regional cooperation organization has been regarded as a successful organization among the developing countries. This is visible in the fact that more countries or groups of countries have been eager to undertake cooperation with ASEAN. I hope that you will agree with me that ASEAN as an organization which always strives for friendship with other nations in the world welcomes the desire of other nations to undertake cooperation with ASEAN on the basis of what we agreed upon during the third summit in Manila. In addition, ASEAN is also prepared to share experience with other regional organizations of developing countries. In view of the greater scope of activities and the larger cooperation network of ASEAN, the ASEAN mechanism, including the role of the ASEAN Secretariat, should be further enhanced to face future challenges. Externally, immediate arrangements should be mapped out to anticipate the admission of new members.

Your excellencies and honorable delegates! In conclusion, I would like to say once again that ASEAN's current path has been in line with the direction set by the 1967 Bangkok Declaration. Similarly, our principles have

proved correct and enabled us to face challenges over the past 25 years. We are aware that differences still exist among member countries due to different situation and conditions. This is part of the dynamism of the ASEAN cooperation. I believe that the current spirit of solidarity and cooperation will continue to make ASEAN a cohesive and dynamic regional organization and enable ASEAN to prove itself as a regional organization which consistently and independently strives to achieve its aspirations through the enhancement of regional resilience. In response to rapid changes taking place in the world, we realize the need to sharpen and renew the ASEAN strategy in entering the 21st century. I believe that agreements to be produced during the summit will consolidate our steps toward enhancing the welfare of the peoples of the ASEAN countries. This will be a correct response to future changes.

May God Almighty bless all of us! Thank you and peace be upon you!

Alatas Clarifies Indonesia's Support for EAEC

*BK2701125592 Kuala Lumpur BERNAMA in English
1139 GMT 27 Jan 92*

[Text] Singapore, Jan 27 (BERNAMA)—Indonesian Foreign Minister Ali Alatas made it clear today that Indonesia's position on the East Asia Economic Caucus (EAEC) was not based on the misgivings of other countries or the fear of losing its market in the United States.

"We do not fear anybody and neither can we accept (that) our position is only and solely based on fear," he told reporters here in reference to a report that Indonesia had reservations about the EAEC because it feared losing its market in the United States, which was opposed to the proposal.

He said "We do not share the misgivings of other countries and we do not fear other countries.

"Indonesia's stand is that even after we have changed it (from an East Asia economic grouping) into a caucus, there seems to be misgivings by some countries. That is the reality."

In order to remove the misgivings, Indonesia proposed that the EAEC be put in the Asia Pacific Economic Cooperation (APEC) context without losing its individuality as it would still be an East Asia caucus, he added.

He said "It would still be an East Asia caucus with the freedom to act, whenever it wants, to do whatever it wants because we have caucus everywhere.

"You have a caucus within the GATT (Generalised Agreement on Trade and Tariffs). So, what is wrong with this position (of) having a caucus within APEC?"

Mr. Alatas denied that Indonesia felt that the political implications of the EAEC needed to be studied because it feared that the caucus could drive a wedge between the U.S. and Japan.

He stressed that Indonesia did not have any difficulties with the fundamentals of the proposal and any other aspect of the proposal.

He said Indonesia agreed that the caucus was an important proposal that needed further refinement and further study.

"We have agreed to further complete the elaboration of this concept. It means it is still a concept because it is to complete the elaboration in order to accomplish or achieve its realisation," he added.

He said that the report does not describe Indonesia's positions as it had always maintained that all ASEAN countries had agreed on the fundamental principles underlying the caucus proposal.

Mr. Alatas said the EAEC issue was raised in bilateral talks between Malaysian Prime Minister Datuk Sri Dr. Mahathir Mohamed and President Suharto yesterday but the discussions were not substantive.

"Both, if not in words, indicated satisfaction at what has been agreed already as a recommendation at the joint ministerial level," he added.

A joint ministerial meeting of ASEAN Foreign and Economic Ministers, held last week ahead of the summit, came out with a formula on the EAEC proposal for presentation to the heads of government at the summit.

Mr. Alatas said no new agreement was reached between President Suharto and Datuk Sri Dr. Mahathir Mohamed "that went beyond the agreed text of the recommendation."

According to the news report Malaysia and Indonesia agreed that there was a need for ASEAN to further explain the EAEC concept to countries opposed to the proposal and that the agreement was reached on the eve of the summit.

Malaysia's Prime Minister Addresses Summit

Welcomes 'Indochinese' Memberships

*BK2701053192 Kuala Lumpur BERNAMA in English
0433 GMT 27 Jan 92*

[Text] Singapore, Jan 27 (OANA-BERNAMA)—Member countries of the Association of Southeast Asian Nations (ASEAN) should welcome the Indochinese states as members of the group subscribing to its Treaty of Amity and Cooperation should those countries wish to do so, Malaysian Prime Minister Dr. Mahathir Mohamed said Monday.

He said with the Cambodian problem almost resolved, ASEAN must now transform the adversarial stance which characterised Southeast Asia in the past into new constructive relationships.

"It is not an accident that the Southeast Asian countries of the ASEAN group are among the most dynamic in the world," he said in his address at the opening of the fourth ASEAN summit here.

ASEAN groups Brunei, Indonesia, Malaysia, the Philippines, Thailand, and Singapore.

Dr. Mahathir said ASEAN must therefore take the initiative to reorganise its relations with the Indochinese countries by beginning to establish close and positive relations with them, both, bilaterally and as a group.

He also called on ASEAN to promote and foster the concept of a zone of peace, freedom, and neutrality as well as a nuclear weapons free zone.

On the issue of environment, Dr. Mahathir said there was unfortunately undue focus on the tropical forest and its role in renewing the supply of oxygen, the preservation of flora and fauna, and the ecological balance.

Noting that it was the rich 20 percent of the world population, who accounted for 80 percent of the greenhouse gas emission, he said if forests could save the world from the greenhouse effect, then the stress should be on a massive greening of the world.

In apparent reference to the West, Dr. Mahathir said that with the wealth of the rich and the technology at their command, it was entirely possible to plant and cover even desert areas with trees.

He said one issue, totally ignored, was the fact that forest fires cause greater damage to the environment than controlled logging. In addition, developing countries did not have the financial and technological capability to effectively handle forest fires.

"Certainly, more forests can be saved by preventing forest fires or putting them out quickly than by boycotting the export of tropical timber or advocating that forest dwellers remain in the forest, eating monkeys and suffering from all kinds of tropical diseases," he added.

Referring to the claim that tropical forests are a common heritage, Dr. Mahathir said: "We dispute this, for we have a better claim to our forests than those who claim to own Antarctica."

"But if the world is so concerned about depleting tropical forest and think they have a right to it then they should do something about forest fires in the tropics," he added.

Urges Sharing Sea Lanes' Costs

BK2701083092 Kuala Lumpur BERNAMA in English 0726 GMT 27 Jan 92

[Text] Singapore, Jan 27 (OANA-BERNAMA)—The cost of keeping shipping lanes free and safe should be not be responsibility of the littoral states alone, Prime Minister Dr. Mahathir Mohamed said Monday.

It was time that the international community appreciate the problems and the dangers faced by the littoral states of certain straits and sea-routes like the Straits of Melaka, he added.

"Is it too much to ask that those who use the passage and the maritime nations contribute towards the cost of keeping them free and safe?" he asked when addressing the opening of the fourth ASEAN summit here.

The two-day summit, opened by Prime Minister Goh Chok Tong of Singapore, was attended by Sultan Haji Hassanal Bolkiah of Brunei, President Suharto of Indonesia, President Corazon Aquino of the Philippines and Prime Minister Anan Panyarachun of Thailand.

Dr. Mahathir said the littoral states collected no dues nor were they rich.

He added "On the other hand, maritime patrols by sea and by air are expensive. The maintenance of equipment and personnel to fight spillage and other damages are equally costly.

"While we dispute the claim that our forests belong to the whole world, we have always accepted that certain straits and sea-routes through our waters are international waterways"

It was of little concern to the littoral states in the past when the ships were small and infrequent and carried no significantly dangerous cargo but now not only have the number of ships multiplied but their size had increased tremendously.

"In addition, the cargo they carry is often dangerous; for example the oil and chemical tankers," he said.

Referring to the Straits of Melaka, bordered by Indonesia, Malaysia and Singapore, Dr. Mahathir said there had been collisions and spillage of oil onto the sea and their shores.

Not only was the clean up costly but damage to their fishing and tourist industries considerable and it took months for these industries to be lucrative again, he added.

Dr. Mahathir said if the world was fond of claiming rights then the world must also accept the responsibility of keeping these straits and shipping lanes free and safe.

Emphasizes Forming EAEC

BK2701101092 Kuala Lumpur Voice of Malaysia in English 0800 GMT 27 Jan 92

[Excerpt] Prime Minister Datuk Sri Dr. Mahathir Mohamed has questioned why East Asian countries are not allowed to form an economic caucus when powerful economic groupings have emerged elsewhere to advance regional interests. He spoke on the question, which appeared to be directed at the move by Southeast Asian countries toward adopting (?one), at the opening of the fourth ASEAN summit in Singapore.

During a visit to Singapore earlier this month, he said this expressed U.S. opposition to the formation of the East Asian Economic Caucus, EAEC. Washington had also acted in persuading Japan, South Korea, and Indonesia from supporting the EAEC.

Datuk Sri Dr. Mahathir reiterated that the EAEC will not be a trade or economic bloc. It meant to enable East Asian countries to trade with each other.

Japan has pointed out that international trade and other economic relations are increasingly being managed to protect the position of the powerful trade bloc.

In the world where peoples and countries are organizing themselves regionally, it should not be so wrong for East Asian countries to come together. East Asia is a geographical entity as much as Europe or America are geographical entities. Indeed, so is Southeast Asia.

He said no reason why the East Asian countries cannot form a mere caucus. Datuk Sri Dr. Mahathir explained that the ASEAN experience had shown when countries in the region consult, cooperate and speak with one voice, the [words indistinct] an influence high and high. [passage omitted].

Malaysia Proposes Fund for Maritime Safety

*BK2701113692 Kuala Lumpur BERNAMA in English
0844 GMT 27 Jan 92*

[Text] Singapore, Jan 27 (OANA-BERNAMA)—Malaysia Monday proposed that an internationally sponsored fund be set up to maintain maritime security and protect marine resources in the Straits of Melaka.

The Straits of Melaka is bordered by Indonesia, Malaysia and Singapore.

Malaysian International Trade and Industry Minister Rafidah Aziz said the international community should be collectively responsible for the protection of marine resources and the ecological wellbeing of the sea lanes.

She said ASEAN countries, with the sea surrounding much of their territory, had to do something to maintain maritime security in a broader sense.

The Association of Southeast Asian Nations (ASEAN) groups Brunei, Indonesia, Malaysia, Thailand, the Philippines and Singapore.

Rafidah was speaking to reporters when asked to elaborate on Prime Minister Dr. Mahathir Mohamed's opening remarks at the fourth ASEAN summit that the international community should contribute towards the cost of keeping the sea lanes free and safe.

Dr. Mahathir had said that the number of ships passing through the Straits of Melaka had multiplied many times and they often carried dangerous cargo such as oil and chemicals.

The prime minister had also mentioned piracy as another problem and asked whose responsibility it was to keep the international sea lanes safe.

Rafidah said the proposed fund could be similar to the international pooling of resources to fight forest fires.

"We have already international funding for reafforestation to sustain management and now we are taking one step further to maritime security and maritime conservation," she added.

She said marine resources, ecological wellbeing of the maritime sea lanes and marine parks would be damaged if an oil spillage occurred, and the cost to clean the pollution would be high.

Touching on the East Asia Economic Caucus (EAEC), Rafidah said she was happy to hear three summit leaders categorically supporting the EAEC.

Philippine President Corazon Aquino, Thai Prime Minister Anan Panyarachun and Singapore Prime Minister Goh Chok Tong expressed support for the EAEC in their opening remarks at the two-day summit Monday.

"I never expected that. To me that is hardly lack of development. That is development of the highest order," she said.

She said the first indication of support for the EAEC came from the ASEAN Chamber of Commerce and Industry when its president made very clear mention of support for the idea.

"The ASEAN business community and the ASEAN private sector see the benefit of ASEAN consulting with its neighbours particularly on the issues of trade as would be brought about by the EAEC, and that to us is the best endorsement of all," she said.

Aquino, Sultan Bolkiah on Free Trade Area

*BK2701084292 Kuala Lumpur BERNAMA in English
0654 GMT 27 Jan 92*

[Text] Singapore, Jan 27 (OANA-BERNAMA)—President Corazon Aquino of the Philippines said Monday that the Association of Southeast Asian Nations (ASEAN) could refine and agree on the concept of an East Asia Economic Caucus (EAEC).

A consensus on the EAEC would help to promote economic co-operation in the region, she said in her address at the opening ceremony of the fourth ASEAN summit here.

ASEAN groups Brunei, Malaysia, Indonesia, the Philippines, Thailand and Singapore.

Aquino said the agenda for the summit included consideration of a possible framework agreement for enhancing ASEAN economic co-operation and a draft agreement

for a Common Effective Preferential Tariff as the main mechanism for establishing the ASEAN Free Trade Area (AFTA).

"I look forward to our early agreement on these important initiatives because they embody the ideas expressed in the Philippines' proposal for an ASEAN treaty on economic cooperation," she added.

Aquino also voiced support for the formation of an ASEAN consultative committee for defense cooperation, suggested by former Indonesia Foreign Minister Professor Mokhtar Kusumaatmaja at a recent seminar.

She said "The security requirements of our community should be served but at levels that would enable us to keep faith with the ideals and objectives of ZOPFAN (Zone of Peace, Freedom and Neutrality) and the South East Asia Nuclear Weapons Free Zone (SEANWFZ).

The formation of an ASEAN consultative committee for defense co-operation was discussed by officials during pre-summit meetings.

Meanwhile, Sultan Hassanal Bolkiah of Brunei told the summit that ASEAN urgently needs fair and free trade and not barriers or any other form of unilateral trade policies.

This message must be conveyed to the grouping's dialogue partners and other advanced economies, he said in his opening statement.

He said such an effort needed to be taken as ASEAN's economic development called for enhanced initiatives required in trade, investment and all other aspects of economic co-operation, not only within the grouping but also with its dialogue partners and other advanced economies.

Describing the protectionist policies of certain developed countries as a thorny issue, the sultan said the formation of trading blocs and the emphasis on economic regionalism had further complicated matters that formed a cloud of uncertainties in the field of international trade.

In this respect, the Sultan said, he welcomed efforts made by the ASEAN Ministers to recommend the establishment of an ASEAN Free Trade Area (AFTA), the proposed framework agreement on enhancing ASEAN economic cooperation and the Common Effective Preferential Tariff (CEPT) scheme as they reflected the grouping's commitment towards more liberal trading arrangements among them.

However, in implementing these agreements and in an effort to establish a free trade area, ASEAN should work towards the sharing of costs and benefits in view of the different levels of economic and industrial progress achieved by individual member countries, he said.

Thai Prime Minister Underlines Need for AFTA
BK2801013192 Bangkok BANGKOK POST in English
28 Jan 92 p 4

["Excerpts" from Thai Prime Minister Anan Panyarachun's opening statement at the Fourth ASEAN Summit in Singapore on 27 January]

[Text] Almost a quarter of a century ago, the Bangkok Declaration was signed in 1967 at the height of the Cold War. ASEAN's early development was thus set against the backdrop of the Vietnam War, the Nixon Doctrine and prevailing uncertainties in the region as a whole.

After 13 years of continued effort of ASEAN in the international community to bring about durable and comprehensive settlement in Cambodia, the signing of the Cambodia Peace Agreement on 23 October 1991 as well as the normalisation of Sino-Vietnamese relations, signalled a new era of peace for the region.

The Cold War is no more with us. The unthinkable has become a reality as evidenced in the sweeping changes in Eastern Europe, in the rapid disintegration of the Soviet Union and in the covening of Middle East peace talks. The wind of change has now struck almost every corner of the globe, both in political and economic spheres.

The emergence of a new Southeast Asia has opened up opportunities for all countries to work together for peace and prosperity. In this context my government welcomes the application by Vietnam and Laos to the Treaty of Amity and Cooperation in Southeast Asia.

I am convinced that economic linkages and interdependence will be the most important factor binding nations in the region together and will in turn ensure the maintenance and promotion of regional security and stability in the long run.

That is why I strongly believe that it is time for ASEAN to take a bold and forward-looking initiative in realising the long-term objective. Now is the time for ASEAN to enlarge its vision.

From the Summit in Manila in 1987 to Singapore today, we in ASEAN have travelled quite a distance. Most of us have been liberalising our tariff and import regimes... We are now better equipped than even before to move towards a higher plane of ASEAN economic cooperation.

The past intra-ASEAN economic cooperation arrangements have not lived up to their expectations... In most cases, they were too complicated and cumbersome.

The concept on free trade area is not new to ASEAN...

Since the Manila Summit, our perception of ASEAN itself and its place in the world have become more positive. As an individual country, each of us has gained a great deal of self-confidence through our own success in national development. As ASEAN, we have earned wide recognition as the area of growth and dynamism...

It can be said, therefore, that internally and internationally, the conditions are ripe for us in ASEAN to set out on a definite course towards greater economic integration by agreeing to establish the ASEAN Free Trade Area [AFTA].

The road towards AFTA could be both difficult and painful... I am well aware that all of us are bound to be affected one way or the other. Nevertheless, the overall long-term benefits of AFTA will more than compensate for any short-term loss.

Besides freer flow of trade, AFTA would lead to a larger ASEAN market of 360 million people which would surely be more attractive for investment, both from within and without, than six separate markets.

With economy of scale, this would also lead to a rational allocation of resources and increased efficiency in production. ASEAN would be in a much better position to attract investment as goods would be produced more economically and sold at more competitive prices.

For AFTA to work well, the process of liberalisation through reduction of tariff and non-tariff measures must be realistic and practical both in terms of time frame and implementation approach.

We must opt for mechanisms that are sufficiently transparent and ensure predictability for the private sector who will be the driving force behind AFTA success.

ASEAN must maintain an outward-looking policy... It should forge and expand further economic linkages with countries in Indochina, thus enabling them to enter into the mainstream of regional and global economy. ASEAN should also strengthen its role as a fulcrum for wider cooperation in the Asia-Pacific, particularly in the East Asian Economic Caucus concept, or the APEC (Asia Pacific Economic Cooperation) process.

ASEAN must strengthen and expand links with its dialogue partners and develop new relationships with other countries.

ASEAN should strongly support the United Nations in its revitalisation programme to ensure its increasingly important role in the maintenance of world peace and security as well as in the promotion of a more equitable international order based on equality among states, large and small.

It is... heartening to note that ASEAN is undertaking this long overdue restructuring and reorganisation, particularly the ASEAN Secretariat.

It is my fervent hope that thus equipped, ASEAN will become a more effective and relevant regional organisation.

The goal of promoting well-being of ASEAN peoples could never be fulfilled if we were to concentrate on the so-called materialistic aspects of development without

giving due regard to its human dimension which is the crucial ingredient for a better quality of life and social justice.

Human resource development must go hand in hand with economic development to ensure our national progress. It is now time to expand and strengthen our social cooperation particularly in the fields of education and health services.

At the same time, ASEAN should continue working towards the improvement of the status of women in our society.

In all this, we should encourage greater participation of non-governmental organisations...

We must adopt an economic development strategy that sustains and nurtures environment and ecological balance. The scourge of drug abuse and the spread of AIDS are problems that we cannot afford to ignore.

As we promote the human dimension of our cooperation, we are strengthening the sinews of our own inner strength which constitutes an important basis for our regional security in the wider sense of the word.

This Summit in Singapore should not be remembered as just another ASEAN Summit. We must not hesitate to address the real problems facing us, to discuss our strength and weaknesses, to set out our long-term common objectives and to decide upon practical and realistic measures to realise these goals.

Let us, therefore, ensure that this Summit be the beginning of a new ASEAN, a revitalised ASEAN, which, having turned 25, will be ready and well prepared to move forward confidently and participate actively in the regional and global scheme of things in the 21st Century.

Singapore Premier Goh Urges Combining Strengths

*BK2701083892 Kuala Lumpur BERNAMA in English
0753 GMT 27 Jan 92*

[Text] Singapore, Jan 27 (OANA/BERNAMA)—ASEAN member states will miss the boat in attracting investments to the region if they do not synergise their strengths, Singapore Prime Minister Goh Chok Tong said Monday.

The Association of Southeast Asian Nations (ASEAN) groups Brunei, Indonesia, Malaysia, Thailand, Singapore and the Philippines.

In his opening statement at the fourth ASEAN summit which began here Monday, he said the trend towards economic regionalism was unstoppable because it had benefitted all participating countries.

Saying that the flow of private investments was decided by hard-headed businessmen on the basis of the expected returns on capital, he added that they would flow away to the single European market or the North American Free Trade Area (NAFTA) unless ASEAN could match them

in attractiveness, both as a base for investments as well as a market for their products.

As such, Goh said, there was the compelling reason for establishing the Asean Free Trade Area (AFTA), a bold move to propel ASEAN economies forward, and where ASEAN economic co-operation through the Common Effective Preferential Tariff (CEPT) scheme and afa would increase the flow of investments to the region.

He felt that more open economies had provided ASEAN with increased investments and high growth even though they meant "keener competition amongst ourselves."

ASEAN countries, he said, should make use of their different and combined strengths to compete with the rest of the world.

Goh said: "We have different comparative ad competitive advantages. Some of us have natural resources, others have more skills and technology. The ASEAN FTA (Free Trade Area) will combine these varying endowments, so that ASEAN-based firms can be more efficient against others worldwide."

Referring to efforts by the Americans and Europeans in expanding their economic links, ASEAN should also do likewise with Indochina and Myanmar [Burma], he said.

Goh also said that ASEAN should nurture its links with its main trading and investment partners—the United States, Japan and the European Community (EC) because it should keep up with developments in those countries as they combined into regional groupings.

He cited the Asia-Pacific Cooperation (APEC) forum, the East Asia Economic Caucus (EAEC) and bilateral arrangements with Japan and the EC, modelled along the lines of the ASEAN-US initiative as some of the important steps taken to promote ASEAN's interests.

'Officials' Reject Adverse Views of EAEC

*BK270, 122192 Kuala Lumpur BERNAMA in English
1015 GMT 27 Jan 92*

[Text] Singapore, Jan 27 (BERNAMA)—ASEAN officials have rejected a suggestion that the proposed East

Asia Economic Caucus (EAEC) will create a wedge between the United States and Japan, the world's two biggest trading nations.

They said they were not particularly impressed with such views forwarded by some countries.

The officials, who spoke on condition of anonymity, said they were puzzled over some arguments bandied about by detractors of the Malaysia-initiated proposal.

Singapore is hosting the fourth summit of the Association of Southeast Asian Nations (ASEAN) which groups Brunei, Indonesia, Malaysia, Thailand, the Philippines and Singapore. The the heads of government of the six nations are attending the two-day summit which began Monday.

They said that though the EAEC had not been officially formed, there was already a chorus of criticism against an entity which the proponents said would not only protect but also promote free trade.

"In a changing world order where free trade is increasingly threatened, the criticisms against the EAEC appear not only shallow but contain a touch of jealousy as well," one official said.

The officials said no country or group of countries, especially those whose economies were still developing, could come between the two powers.

They asked how the EAEC, a forum for free trade, could be a wedge between the United States and Japan when the trade friction between the two had been around longer than the time spent to discuss the caucus.

It has often been argued that the American problem with Japan stems mainly from its inability to compete with Japan.

They also said that the US trade war and other problems with Japan would always be a point of tension between the two countries.

They pointed out that the EAEC was not a party to the on-going US-Japan problem.

Japan**U.S. Urged Not To Discriminate in Purchases***OW2801140192 Tokyo KYODO in English 1343 GMT
28 Jan 92*

[Text] Tokyo, Jan. 28 KYODO—Japan urged the United States on Tuesday to ensure its local governments do not discriminate against foreign products when awarding contracts and making purchases. Japanese Foreign Ministry spokesman Masamichi Hanabusa said, "with respect to procurement by municipalities, the Federal Government is under obligation by a GATT rule to remind (them) that nondiscriminatory purchases are desirable."

His remarks came after the Los Angeles County Transportation Commission decided to cancel a 122 million dollar contract awarded earlier this month to a U.S. subsidiary of Sumitomo Corp., a major Japanese trading house.

Under the General Agreement on Tariffs and Trade (GATT), the official said in his briefing to foreign journalists the U.S. Administration is obliged to urge Los Angeles County authorities to honor the contract broken with Sumitomo Corp. of America. The cancellation has led to widespread speculation on both sides of the Pacific it signals the start of a wave of protectionism in the U.S.

Hanabusa said, however, the Bush administration is "not legally required" to see that municipalities practice nondiscriminatory purchases, and it is up to Sumitomo to decide whether to claim infringement of contract.

New Envoy to U.S. Discusses Bilateral Friction*OW2801134192 Tokyo KYODO in English 1319 GMT
28 Jan 92*

[Text] Tokyo, Jan. 28 KYODO—Newly appointed ambassador to the U.S. Takakazu Kuriyama said Tuesday some competition in the Japan-U.S. relationship is healthy and that trade friction should not be allowed to undermine vital bilateral ties. The 60-year-old former vice foreign minister told reporters: "We must build a relationship based on competition and cooperation."

"It is necessary to work together to limit as much as possible the harmful influences (of trade friction)," said the former head of the ministry's North American Affairs Bureau.

Kuriyama, who was confirmed last week to replace Ryohei Murata as Japan's top diplomat in Washington, said: "It is natural that the No. 1 and No. 2 economic powers in the world have trade frictions, but we cannot allow this to gnaw away at the trust in our relations."

The Japanese diplomat said the recent surge in trade friction with the U.S. presents a problem over the short term but that the liberalization of trade systems is not

strictly a bilateral matter. Opening up markets "should be supported for the prosperity of the world," he said. Kuriyama noted that Japan was slow to recognize that its markets should be open when other nations provide ready access to Japanese products.

Worried about the apparent growth of protectionist sentiment in the U.S., Kuriyama said Americans have become aware of a host of domestic problems since the end of the cold war and Persian Gulf war. The situation has led to an "America as No. 1" mentality and isolationism, he said.

"We need to pay close attention to the policies that emerge from the presidential election process," said Kuriyama, adding the nations of the world are anxiously waiting to see what role the U.S. will play in the future peace of the world. Kuriyama said that the notion of a "global partnership" among Japan, the U.S., and Europe is "not merely a slogan."

The ambassador has long been an advocate of a more active Japanese role in international affairs and said Tuesday Japan should cooperate in resolving conflicts in Cambodia and other regional disputes. He also stressed the importance of Japan's role in helping to develop democracy and free markets in Eastern Europe and former Soviet republics. Japan must also promote global prosperity with the creation of an international trade order at the Uruguay Round of trade negotiations, he said.

"Finally, we need to create a framework for international cooperation to deal with environmental protection, population, and refugee and drug problems," Kuriyama said.

U.S. Firm Partnership Wins Sakhalin Tender*OW2801115592 Tokyo KYODO in English 1107 GMT
28 Jan 92*

[Text] Moscow, Jan. 28 KYODO—A Japanese-U.S. partnership has won an international tender on a 10 billion dollar project to develop natural gas and crude oil off the Siberian island of Sakhalin, Russian officials said Tuesday.

The group consists of two U.S. oil firms, Marathon Oil Co. and McDermott International Inc., and Japanese general trading house Mitsui and Co.

The officials said Russian Deputy Prime Minister Yegor Gaydar will endorse the selection later Tuesday.

In Tokyo, Mitsui said it has obtained an official letter of intent selecting the Mitsui-Marathon-McDermott (MMM) group as a partner for feasibility studies on the project.

Mitsui officials said the consortium is scheduled to sign a formal contract with the Russian Federation by March 31 after negotiations on details.

The long-pending giant project calls for development of two fields, Piltun Astohskoye and Lunskeye, along the east coast of Sakhalin, with estimated deposits totaling about 100 million tons of crude oil and about 400 billion cubic meters of gas, Mitsui said.

Oil and gas production is scheduled to start in late 1995 with production of liquefied natural gas starting in 1999, the company said.

Six groups of companies from the United States, Asia, and Australia have been vying for the contract since last year.

The selection of the MMM group was a severe blow to a partnership formed by Exxon Corp. of the United States, C. Itoh and Co., Sakhalin Oil Development Cooperation Co., a joint Japanese Government-private venture, which was regarded as the likeliest choice for the project, industry sources said.

The project, pending over the past 20 years, will be the largest undertaking between Japan and the Russian Federation.

The MMM group is scheduled to start the feasibility study jointly with Sakhalin enterprises before the project gets under way next year at the earliest, Mitsui officials said.

The success of the undertaking depends largely on financial help from the Japanese Government in view of a funds shortage in Russia, industry sources said.

The Japanese electric power industry reacted coolly to the project, saying power companies have already ensured stable gas supplies until the year 2000.

[Moscow INTERFAX in English at 1056 GMT on 28 January states: The Russian vice-Premier Yegor Gaydar has signed a document giving the right to develop Sakhalin off-shore oil and gas deposits to the Three M's consortium uniting McDermott (USA), Marathon (USA) and Mitsui (Japan). This was announced by the general director of the Sakhalin oil and gas company Anatoliy Cherniy. There is a possibility that Mobil (USA) will also join the project.

[The governor of Sakhalin Valentin Fyodorov announced last Saturday that he is leaving the government commission in charge of the project. In an interview with IF [INTERFAX] he said that he disagrees with the decision of the commission "ignoring the interests of Sakhalin region."

[The Sakhalin contest declared in spring 1991 also attracted such American companies as Amoco and Exxon, the Japanese Sodeco, Sodec, Idemitsu, the South Korean Hyundai, the Australian VNR and the Dutch Shell.]

U.S. Records Detail 'Comfort Women' Management *OW2601124792 Tokyo KYODO in English 1227 GMT 26 Jan 92*

[Text] Washington, Jan. 26 (KYODO)—The Japanese Imperial Army was directly involved in daily management of military brothels in occupied Asian territories, overseeing everything from medical treatment of "comfort women" to setting fees for sex services, according to wartime U.S. military records.

The records are two reports by Americans who interrogated 20 Korean women forced into prostitution in the Myanmar [Burma] town of Myitkyina. They show two Japanese brothel owners operated on detailed instructions from the Japanese military.

One of the formerly classified reports was compiled by the U.S. Army forces India-Burma theater's office of war information and the other by the South-East Asia translation and interrogation center.

The Korean women were taken into protective custody and questioned after the allied forces bombed Myitkyina in late July 1944. The allies expelled the Japanese forces and the women followed the withdrawing Japanese troops until the allies found them.

The reports—declassified in 1973—are photocopies of documents kept at the Washington Record Center which were acquired by KYODO News Service recently. The center is attached to the national archives in Washington D.C.

The reports may clear up ambiguities in the issue of compensating former "comfort women" by revealing the degree of involvement the Imperial Army had in the brothels.

In responding to the recent uproar on the "comfort women" issue, Japanese Prime Minister Kiichi Miyazawa apologized for the wartime military's involvement in the issue, but stopped short of mentioning the degree of involvement or offering clear vows to [word indistinct] survivors.

The reports listed the names, addresses and ages of the 20 Korean women and the two Japanese proprietors of the brothels. Most of the women were from North Chungchong in South Korea and they were aged between 19 to 31.

According to the reports, the owner of brothels complied with an army headquarters' suggestion "to a number of Japanese businessmen" to purchase and take Korean women to Myanmar. The women's families received from 300 to 1,000 yen for each woman based on her age, looks and personality.

The records say the army headquarters in Seoul gave the owners "a letter addressed to all military headquarters of the Japanese Army, requesting them to furnish any assistance he might require, transport, rations and medical attention."

The Japanese recruiters did not specify the nature of what they called "comfort service" in the conquered territories in Southeast Asia, and the women thought their work would be "connected with visiting the wounded in hospitals, rolling bandages, and generally making the soldiers happy," according to the records.

The records also show that the brothel owner and his wife—also captured by the Allies—had embarked on a ship for Yangon [Rangoon] at Pusan in July 1942 in a group of 703 Korean women and several brothel owners. The Army headquarters provided free passage for the owners and the women, the records say.

After arriving in Yangon on August 20, the women were "divided into groups of 20 to 30 and dispersed to various parts of Burma (Myanmar), each group being attached to various regiments, units or formations, so that each had its own brothels," the reports said.

After being moved to Myitkyina in January 1943, the 20 Korean women named in the reports were forced to sexually entertain Japanese soldiers seven days a week and were paid 1.5 to 20 yen per customer depending on the men's rank.

On the orders of the commander of the garrison at Myitkyina, the charges were later reduced to 1.5 yen for soldiers and 5 yen for officers, the records say.

The owner took "50 to 60 percent of the girls' gross earnings depending on how much of a debt each girl had incurred when she signed her contract" to help her financially troubled family, the records say.

The brothel was controlled by a 114th Infantry Regiment captain of the regimental headquarters. The women provided sex daily to 80-90 noncommissioned officers and soldiers and 10-15 officers.

An Army doctor visited the houses weekly and any women found to have venereal disease were treated and secluded, the records say.

Despite harshness of their work, the women had enough food and money to purchase "cloth, shoes, cigarettes and cosmetics," the reports say. They also were allowed to attend sports events, picnics and dinner parties.

In describing the Japanese troops' reactions to Korean "comfort women," the records say, "there were numerous instances of proposals of marriage and in certain cases marriages actually took place."

After Allies bombed their house, the women fled the town, crossing the Irrawaddy River in small boats. After a 10-day retreat, Myanmarese tribal soldiers led by an English officer captured the women and placed them into U.S. custody. Two of the women were killed during the retreat, the reports say.

Lists of Korean Conscripts To Be Displayed

*OW2401121792 Tokyo KYODO in English 1146 GMT
24 Jan 92*

[Text] Fukuoka, Jan. 24 (KYODO)—Lists of more than 140,000 Koreans forceably brought to Japan during World War II will be made public in Fukuoka next month, organizers said Friday.

A joint research team from the Social Democratic Party's Fukuoka Prefectural Headquarters and the Fukuoka Branch of the Pro-Pyongyang General Association of Korean Residents in Japan (Chongryun) found the lists.

The lists have been displayed in Tokyo, Osaka, and Sapporo in the past.

The research team said the names of some 142,000 Koreans, which will be shown in Fukuoka on February 1-2, include those of some 15,000 Koreans found after the display in Tokyo last November.

The team also said it is almost certain that 147 women among the names were so-called "comfort girls" who were forced to work as prostitutes for Japanese soldiers during the war.

Accord Reached With DPRK on Charter Flights

*OW2401122392 Tokyo KYODO in English 1211 GMT
24 Jan 92*

[Text] Tokyo, Jan. 24 (KYODO)—Japan and North Korea reached basic agreement Friday on charter flights between the two countries, the Transport Ministry said.

Ministry officials said the agreement, which came during talks in Beijing between Japanese and North Korean Government officials, will allow up to 80 charter flights a year from each country between Pyongyang and the Japanese cities of Niigata and Nagoya, via Khabarovsk in Russia.

The negotiators signed minutes of the talks after reaching the agreement, the officials said.

The document was the first governmental agreement between Japan and North Korea, which have no diplomatic relations.

It says that airlines of both countries should be given equal opportunities for the flights, which will be approved on a case-by-case basis.

The Transport Ministry has so far issued approval for individual Japanese charter flights to North Korea on a case-by-case basis.

Since September 1990, when a Japanese parliamentary delegation visited Pyongyang, there have been 23 charter flights between the two countries.

These included 15 North Korean cargo flights carrying mushrooms from Pyongyang to Nagoya last fall and an

all Nippon Airways' flight carrying Japanese tourists from Niigata to Pyongyang last October.

Last August bilateral air negotiations stalled over routes, as Japan insisted on a route via Khabarovsk, while North Korea proposed a shorter direct route across the Sea of Japan.

Used Telephone Systems Considered for DPRK

*OW2401085892 Tokyo KYODO in English 0840 GMT
24 Jan 92*

[Text] Tokyo, Jan. 24 (KYODO)—Nippon Telegraph and Telephone Corp. (NTT) is considering the possibility of providing used cross-bar telephone exchange systems to North Korea, industry sources said Friday.

They said North Korean authorities asked to acquire the systems during talks with a Japanese telecommunications and broadcasting mission which visited North Korea in July 1991. The mission included officials of NTT, the international telecommunications company KDD, and Japan Broadcasting Corp. (NHK).

Details of the deal, including the shipment volume and schedule, have yet to be fixed, since Japan and North Korea do not have diplomatic relations, the sources said.

NTT is pushing efforts to replace existing outdated, mechanical cross-bar exchange systems in Japan with digital exchange equipment.

NTT has shipped some reconditioned cross-bar systems to seven Chinese provinces, including Fujia and Shandong, free of charge since 1986 at the request of the Japanese and Chinese Ministries of Posts and Telecommunications.

The Chinese authorities paid for the shipment cost.

NTT so far has shipped exchange systems for 200,000 terminals to China and expects to ship systems for a total of 500,000 terminals by 1995, the sources said.

Miyazawa Declines Invitation To Meet Li Peng

*OW2801093992 Tokyo KYODO in English 0917 GMT
28 Jan 92*

[Text] Tokyo, Jan. 28 KYODO—Prime Minister Kiichi Miyazawa will hold bilateral talks with Russian President Boris Yeltsin and British Prime Minister John Major on Friday in New York immediately after a one-day U.N. Security Council summit meeting, Foreign Ministry officials said Tuesday. But Miyazawa has declined invitations to talks with Chinese Premier Li Peng and other world leaders attending the Saturday U.N. session, the officials said.

Foreign Ministry spokesman Masamichi Hanabusa officially announced the prime minister's scheduled talk with Major to reporters. Ministry sources said anticipated talks with Yeltsin are also expected to materialize, despite the Russian leader's sudden cancellation of a

scheduled meeting in Moscow with Foreign Minister Michio Watanabe on Monday and his subsequent unexplained two-day absence from the capital.

Senior sources also revealed that Japan has declined a request from China for bilateral talks between Miyazawa and Li Peng, citing scheduling difficulties. They said similar invitations from such countries as India and Austria will have been declined on the same grounds, though Miyazawa will be seated next to Indian Prime Minister P.V. Narasimha Rao and Moroccan King Hassan II for the U.N. conference.

The officials said Miyazawa will have a chance to chat with other participants, including Li, U.S. President George Bush, and the heads of state or government from Belgium, Cape Verde, Ecuador, Hungary, Venezuela, and Zimbabwe during an informal luncheon meeting on the day of the conference.

Asked why Miyazawa has chosen Yeltsin and Major out of the 14 heads of state or government attending the conference besides himself, officials noted that Yeltsin is making his debut appearance at the U.N. after the disintegration of the Soviet Union, while Major is hosting the conference and Britain holds the Security Council Presidency for January.

Itoman Plans To Make Shirts in Wuxi, China

*OW2701115692 Tokyo KYODO in English 1145 GMT
27 Jan 92*

[Text] Osaka, Jan. 27 KYODO—Itoman Corp. announced Monday it has concluded a compensation trade contract with a Chinese textile company in Wuxi city to start manufacturing men's casual shirts in February.

The move is aimed at stabilizing delivery and quality of products through integrated production, company officials said.

Previously, the Osaka-based trading company purchased cotton materials from the Chinese firm and entrusted a Chinese clothing maker with sewing, the officials said.

Under the trade contract, Itoman is shouldering the entire investment of 200,000 dollars to set up a new sewing plant, which is to produce 500,000 shirts a year, and the company's investment will be offset by importing products from the Chinese partner, they said.

Tokyo To Aid Russia With Smaller Businesses

*OW2401091592 Tokyo KYODO in English 0847 GMT
24 Jan 92*

[Text] Tokyo, Jan. 24 (KYODO)—Japan will support the struggling Russian Federation to shift to a market economy with a package aimed at helping nurture smaller companies there, government officials said Friday.

The package was presented earlier in the day to Russian officials by Masaaki Nangaku, director general of the Small and Medium Enterprise Agency, who is currently heading a special mission in Moscow.

Under the five-point supporting program, the Japanese Government will invite 55 Russian officials in charge of small business policies to Japan for training by the end of March 1993.

By that time, Japan will have sent nine experts on small and medium enterprises to Russia, and will dispatch fact-finding missions this summer or autumn.

The package also involves international seminars on smaller businesses and provision of necessary information and data.

In his talks with Valeriy Chernogorodskiy, chairman of the Russian Committee for Antimonopoly Policy and the Promotion of New Economic Structures, Nangaku advised revamping Russia's legal system concerning small and medium enterprises to strengthen related government agencies, and set up financial and other incentives.

While welcoming the Japanese program, Chernogorodskiy called for concerted assistance from Japan and other major industrial nations, like Germany and Britain, which are especially willing to help Russians in this field.

Ending the three-day schedule of the mission Friday, Nangaku will visit Germany on Monday and Tuesday to seek, among other things, the possibility of joint aid to the federation.

The 18-member mission, mainly consisting of high-ranking officials from smaller business-related agencies, was sent in line with an agreement made last July at the London Summit of the seven richest democracies.

UN Chief Urges Peacekeeping Personnel Dispatch

*OW2801033892 Tokyo KYODO in English 0316 GMT
28 Jan 92*

[Text] New York, Jan. 27 KYODO—U.N. Secretary General Butrus Butrus Ghali called on Japan Monday to allow the dispatch of its personnel to United Nations peacekeeping operations, Japanese officials said.

Ghali made the request in a meeting with former Foreign Minister Hiroshi Mitsuzuka, the officials said.

During a 30-minute meeting, Ghali urged Japan to send "even a small number" of Japanese to participate in peacekeeping missions, according to the officials, who said Ghali did not specify whether the Japanese should be civilian or military personnel.

The U.N. secretary general also sought Japanese contributions to a 50 million dollar fund for emergency humanitarian assistance.

Mitsuzuka requested Ghali's support for Japan's campaign to become a permanent member of the U.N. Security Council and remove from the U.N. Charter a clause referring to Japan, Germany, Italy, Hungary, Bulgaria, Romania, and Finland as "enemy nations" for their role in World War II.

Mitsuzuka, a former chairman of the Policy Affairs Research Council within the ruling Liberal Democratic Party, is visiting the United States at the invitation of the Japan Society in New York.

Miyazawa To Seek UN Security Council Seat

*OW2801122892 Tokyo KYODO in English 1149 GMT
28 Jan 92*

[Text] Tokyo, Jan. 28 KYODO—Prime Minister Kiichi Miyazawa will indirectly call for a permanent seat for Japan on the United Nations Security Council in a speech Friday, a Foreign Ministry official indicated Tuesday.

"Some reference might be necessary to the effect that the U.N. should adapt to the new (global) situation," the official said of a brief speech Miyazawa is to make at a New York conference of the leaders of the 15 members of the council. Miyazawa is expected to call for the council, with five permanent and 10 rotating seats, to be refigured—implicitly seeking a permanent place for Japan on the panel.

"I don't exclude that this problem would perhaps be somehow touched upon... since this is also a matter which reflects on the effective functioning and credibility of the U.N. in the future," the official told reporters on condition of anonymity.

It would be the first time an incumbent Japanese prime minister has explicitly called for reconfiguration of the Security Council. But the official noted that Japan's aspiration for a permanent seat has been repeatedly voiced by figures in the government and the Diet. Former Prime Minister Yasuhiro Nakasone and ruling Liberal Democratic Party Executive Council Chief Koko Sato made the call earlier this month in separate speeches.

The official also noted that as far back as 1972, U.S. President Richard Nixon endorsed Japan's bid for a permanent Security Council seat.

Alluding to Japan's rise to the status of economic superpower and the second largest financial contributor to the U.N. since then, the official said: "The situation has changed since 1972... so I think Japan's 'wishful thinking' would perhaps be viewed now in a more serious manner by other countries."

The official said other participants at the upcoming summit are also likely to call for reform of the 15-member Security Council to make it more democratic

and transparent. Among the 10 nonpermanent member countries, India and Venezuela are especially outspoken on changing the status quo.

The official denied that Japan and those countries are coordinating their positions. "The general trend is toward discussing and taking up this matter," he said. But he said Japan has remained silent in discussions on the topic in a special committee of the General Assembly, which began last year for the first time in 11 years. The official said Japan wants to hear the opinions of other countries before stating its own, so it can "judge the general situation."

"This is a very, very important, but very difficult matter, so I think we should be handling it very carefully," he said.

Tokyo Decides on Aid for Cambodian Refugees

OW2701101092 Tokyo KYODO in English 1000 GMT 27 Jan 92

[Text] Tokyo, Jan. 27 KYODO—Japan will provide some 1 billion yen in assistance for Cambodian refugees suffering from a critical shortage of food and medicine, Foreign Ministry officials said Monday.

Officials said the government will give some 668 million yen to the United Nations-affiliated World Food Program, which will provide dried bread and canned fish to Cambodian refugees along the Thai-Cambodian border area inside Thailand.

Another 172 million yen will go to the U.N. Border Relief Operation (UNBRO) to help finance its activities in the area, they said.

To help meet the medical needs of returning refugees, officials said Japan will give 129 million yen worth of medicines and medical goods through the international red cross to the Supreme National Council (SNC), Cambodia's provisional reconciliation body headed by Prince Norodom Sihanouk.

Earlier this month in Phnom Penh, U.N. High Commissioner for refugees Sadako Ogata said the world body now anticipates repatriating more than 370,000 Cambodian refugees from camps in Thailand, much higher than the 250,000 originally expected.

She said the U.N. might have to feed refugees for a longer period than initially expected and that it will need more for the task than the 109 million dollars originally estimated.

Ogata also said she hoped the U.N. could start repatriating some refugees in March or April.

Some of the major problems faced are hundreds of thousands of mines still in place, a limited amount of available farmland and insufficient infrastructure to deal with the influx of returnees.

Meanwhile, inside Cambodia itself, there are an estimated 170,000 refugees who have fled their villages with only the clothes on their backs and are languishing in squalid camps, Foreign Ministry officials said.

Officials said health conditions in the camps are extremely bad, with many refugees suffering from malaria, lung inflammation, diarrhea, and various wounds.

Australian Minister: Need for More Investment

BK2701062692 Melbourne Radio Australia in English 0500 GMT 27 Jan 92

[Text] A senior Australian federal government minister says it's time for Japan to broaden its commercial relationship with Australia. Federal Industrial Relations Minister Peter Cook stressed the need for more Japanese investment in Australia during a luncheon address to Japanese bankers and business leaders in Tokyo.

Senator Cook is heading a delegation to Japan to promote Australia as a spot for Japanese investment in manufacturing. He told the business leaders that Japan should now look more at investing in manufacturing rather than concentrating on investment in the traditional unprocessed materials sector. Senator Cook said there was more scope for Japanese investment in Australian processing and manufacture, and such activities as information technology, biotechnology, and aerospace.

Suzuki Motor Increases Indian Joint Venture

OW2401103792 Tokyo KYODO in English 1011 GMT 24 Jan 92

[Text] Tokyo, Jan. 24 (KYODO)—Suzuki Motor Corp. announced Friday it will step up its investment in an Indian joint venture and has completed an auto factory in Pakistan.

In India, Suzuki will boost by 1.2 billion yen its investment in Maruti Udyog Ltd., based in New Delhi, raising its stake in the venture to 50 percent from 40 percent. The rest is owned by the Indian Government.

Suzuki's overall investment in the venture will come to about 30 billion yen.

The Japanese automaker said it will use some of the increased investment to build a new Maruti plant to boost annual production capacity from 130,000 to 200,000 vehicles.

This will help the company deal with increased demand in India and boost the venture's exports, targeting the European market, company officials said.

Maruti was launched in 1983 and is now capitalized at 1.12 billion rupees—about 5.8 billion yen.

The venture expects to produce about 125,000 vehicles in four models in fiscal 1991 ending this March, mainly 800 cc minicars.

The officials said the scheme has been approved by the New Delhi Government.

Suzuki also announced completion in Karachi of a 10 billion yen plant for Pak Suzuki Motor Co., a joint venture with Pakistan. The venture, capable of manufacturing 30,000 vehicles a year, will begin production next month, it said.

Cooperation in APEC Workers' Program Planned

OW2401083892 Tokyo KYODO in English 0814 GMT 24 Jan 92

[Text] Tokyo, Jan. 24 KYODO—The government said Friday it will cooperate in a human resources development program of the Asian Pacific Economic Cooperation (APEC), a 15-nation economic grouping.

Under a government plan, trainees from the region will be allowed to work for Japanese firms for a few years after completing the APEC-organized training course, officials said.

The decision is in response to a strong request made to Japan at an APEC meeting in Seoul last November to cooperate in the program, they said.

The officials said the government will seek cooperation from economic organizations and make amendments to labor-related laws if necessary.

A government-business consultation council will be launched to promote the program this spring, they said.

The APEC program is aimed mainly at developing managerial personnel who will contribute to economic development in their own countries.

Trainees from the member nations seeking further training at Japanese companies after the program will be allowed to do so for a period of two to three years, the officials said.

They will be offered various privileges, including scholarships, accommodation, and language training.

LDP To Create Panel on Foreign Residents Issue

OW2801055292 Tokyo KYODO in English 0406 GMT 28 Jan 92

[Text] Tokyo, Jan. 28 KYODO—The ruling Liberal Democratic Party (LDP) decided Tuesday to establish a committee within its Policy Affairs Research Council to discuss problems related to the growing number of foreign residents in Japan, LDP officials said.

At an LDP executives meeting Tuesday morning, Council Chairman Yoshiro Mori made the proposal, the officials said. The meeting approved Mori's proposal.

The new panel will submit a plan by July addressing issues involving foreigners.

The new panel will discuss various problems, such as security threats allegedly posed by illegal foreign workers, and poor working conditions for foreigners, party officials said.

Miyazawa on Bribery Charges, Defense Budget

OW2801073792 Tokyo KYODO in English 0709 GMT 28 Jan 92

[Text] Tokyo, Jan. 28 KYODO—Prime Minister Kiichi Miyazawa deflected an opposition suggestion Tuesday that a former state minister arrested on suspicion of bribery should be dismissed from parliament, saying Fumio Abe should make his own decision.

"Basically, Abe should judge for himself. As this issue is being investigated by judicial authorities, I would like to refrain from expressing my opinion," Miyazawa said on the first day of interpellation at the 123d Diet session. He was replying to a demand by Social Democratic Party (SDP) Chairman Makoto Tanabe that the government take "appropriate measures" to see that Abe, a member of the House of Representatives, give up his seat as soon as possible.

Abe was arrested earlier this month on suspicion of accepting 80 million yen from the now defunct steel-frame maker Kyowa Co. while he headed the Hokkaido Development Agency in 1990. Abe played a key role in the ruling Liberal Democratic Party's second-largest faction headed by Miyazawa until he quit in December after the scandal surfaced.

In response to Tanabe's demand that Japan restrict defense spending to the fiscal 1991 level, Miyazawa said this could not be easily done. The prime minister said the government is in the midst of reevaluating defense plans in light of the disintegration of the Soviet Union but the process would require some time. The government proposed a 4,552 billion yen defense budget for fiscal 1992, marking a 3.78 increase over the previous year. Tanabe said he feared such increases could cause concern among neighboring Asian countries.

Miyazawa also rejected a proposal that Japan pay compensation to tens of thousands of Korean women forced to serve as prostitutes in frontline brothels in World War II, as well as to other Korean conscripts who were never compensated for their wartime labor.

"On the issue of war damages, we have already responded in good faith in the San Francisco peace treaty, the bilateral peace treaties, and other related arrangements," Miyazawa said.

Seoul has said it plans to seek payments for the women, despite Japan's claim that all compensation issues were settled when the two countries established diplomatic ties in 1965. Earlier this month, Miyazawa apologized to the "comfort women" after the government admitted for

the first time the defunct Imperial Army was involved in forcing the women to provide sexual services for Japanese soldiers.

In reply to the SDP Chairman Tuesday, Miyazawa expressed determination to pass a bill carried over from the last session to allow Japanese military personnel to join U.N. peacekeeping operations [PKO]. Tanabe, the leader of the country's No. 1 opposition party, had asked that the law be returned to the drawing board.

In a policy speech opening the 150-day Diet session Friday Miyazawa pledged to seek early passage of the bill, which the government says is a key to an enhanced role for Japan at the United Nations and in the international political arena.

On the national consumption tax, Miyazawa said he is not considering raising the rate from the current 3 percent. He also said the government is not considering revising the proposed budget for fiscal 1992, which begins April 1.

Miyazawa said Japan will establish diplomatic relations and extend "appropriate" aid to former Soviet republics as soon as they meet certain conditions. The conditions will include pursuing domestic and diplomatic reform, meeting the obligations of treaties and international promises, and establishing unitary management of the former Union's nuclear weapons, Miyazawa said. He was responding to questions from Yoshiro Mori, chairman of the ruling party's Policy Affairs Research Council.

On Sunday, Japan opened diplomatic ties with five former Soviet republics—the Ukraine, Belarus, Kazakhstan, Kyrgyzstan, and Uzbekistan.

Miyazawa said Tokyo is ready to sponsor a follow-up meeting of an international convention on assistance to the former Soviet Union, which was held in Washington last week. He also said a territorial dispute over four northern islands and the conclusion of a peace treaty with Russia are necessary to drastically improve relations between the two nations. The dispute over four Russian-held islands off Japan's northernmost island of Hokkaido has barred Japan and Russia from concluding a peace treaty.

The prime minister said Tokyo is ready to hold serious negotiations when a Japanese-Russian working group to discuss the peace treaty meets in mid-February.

Miyazawa agreed with Ishida, head of the Buddhist-backed Komeito, on the need to reconfirm the "new meaning" of the Japan-U.S. Security Treaty following the end of the cold war.

"The Japan-U.S. security arrangement is an important structure. It contributes to the peace and stability of the Pacific region and serves as a nuclear deterrent," Miyazawa said.

"There are nations that have nuclear weapons in the region, and the nuclear deterrent is absolutely necessary," Miyazawa said.

Russia and China wield nuclear arsenals, and North Korea is widely believed to be developing a nuclear capability.

Diet interpellations are to continue through Thursday. The House of Representatives' Budget Committee is scheduled to start deliberations on February 3.

Attitudes on Reducing Trade Surplus Surveyed

*OW2501102592 Tokyo KYODO in English 1015 GMT
25 Jan 92*

[Text] Tokyo, Jan. 25 (KYODO)—Three out of four Japanese have reservations about taking measures to reduce Japan's trade surplus, and nearly two out of three think that their country is poorly understood by other nations, the prime minister's office said Saturday in a survey.

The poll showed that 52 percent of Japanese believe that the nation should be cautious in reducing its trade surplus due to concern for domestic industry, while one in five say it is fine to continue running a major trade surplus because Japanese exports are inexpensive and of good quality.

Only 13 percent thought Japan should alter its industrial structure and make its best effort to address the trade imbalance, according to the nationwide poll conducted last October.

Last year Japan's trade surplus increased 50 percent from the previous year to 78 billion dollars, its third highest ever.

The poll showed, however, that Japanese were more willing to make concessions to developing countries than advanced countries, with one in three saying Japan should support less affluent countries by responding to their trade demands.

In trading with the industrialized world, only 17 percent felt that Japan should unilaterally open its markets in order to protect the free trade system, the poll showed.

Another 34 percent thought market-opening measures should be taken in concert with other industrialized nations, and 35 percent thought Japan should be cautious in opening its markets for domestic reasons.

A majority of respondents, 62 percent, thought that Japan is poorly understood by other countries, with only 11 percent replying they believe Japan's positions are being accurately conveyed.

Most of those polled said they would like to see Japan boost its role in maintaining international peace and stability, with 49 percent suggesting greater financial and personnel contributions, and 15 percent advocating larger financial donations only.

Environmental protection, conflict resolution, and economic assistance for developing nations were the leading areas favored for contributions by the those polled.

The poll showed that overall, Japanese feel closer to the United States than to developing countries in Asia.

Seventy-eight percent said they felt a sense of intimacy with the United States, up from 74 percent of those surveyed in October 1990.

This compares with 51 percent who said they felt a sense of intimacy with China, 43 percent with South Korea, 33 percent with nations in Southeast Asia, and 25 percent with nations of southwest Asia.

Forty-six percent said they felt close to European nations, while 25 percent said they felt close to the then-Soviet Union.

The prevailing image of Africa was of a continent plagued by starvation, disease and poverty, and blessed with abundant wildlife and natural resources, the poll showed.

Three thousand people were randomly selected for the interview poll, of which 2,135, or 71 percent responded. No margin of error was available.

Economic Planning Agency Head Gives Diet Speech

OW2601035892 Tokyo NHK General Television Network in Japanese 0638 GMT 24 Jan 92

[Speech by Economic Planning Agency Director General Takeshi Noda to the 123rd Session of the Diet at the main chamber of the House of Representatives on 24 January—live]

[Text] I would like to explain my belief regarding the tasks with which the Japanese economy is confronted and the fundamental way of thinking regarding economic management. As far as international movements are concerned, last year was a year of turbulence as symbolized in various events, including using arms in the Gulf and the dismantlement of the Soviet Union. Conversely, however, the European Community strengthened its movement toward unification. At the same time, progress was also made in cooperation in the Asia-Pacific region. This year, we must take further steps toward forming a new international order by taking these movements into account.

Particularly in regard to the economy, it is necessary—while dealing with tasks on a global scale, including the earth's environment and energy resources and the population issue, and facilitating fundamental conditions for maintaining development—to build an international economic order based on the market economy and free trade. Under such circumstances, Japan, which has been strengthening its ties with international society in various fields, including trade, investment, personnel and information, needs to fulfill its responsibility as a citizen of the earth by fully taking into account Japan's growing

influence in international society. At the same time, Japan needs to play a leadership role in building that order commensurate with its economic scale.

Regarding the Japanese economy, our country's national income per person has reached the highest level in the world as a result of steady economic development; however, we cannot necessarily say that its outcome is linked with affluence in people's lives. Because of this, we need to change the ideal economic society from one that centers around industry with production and efficiency given priority to one that attaches importance to consumers or to people's lives. At the same time, we need to create a high-quality living environment and to realize affluent lives. We also need to try to create a quality-of-life superpower; a fair society in which every citizen can actually feel affluence and realize [jitsugen] a diverse sense of values. When we do that, and while promoting measures to deal with our population's rapid aging, we need to actively promote further facilitating fundamental conditions, including measures dealing with regulations regarding the manpower supply and to lay the foundation for expanding domestic demands and structural coordination for the qualitative improvement of people's lives. In particular, now that the market economy is becoming an international fundamental principle of economic activity, establishing a transparent and fair market mechanism that complies with internationalizing the economy is becoming more important than before. Thus, we have to construct a fair and open economic society by further relaxing regulations and other measures.

Creating a quality-of-life superpower in this manner does not mean at all that Japan will focus its interest only on itself, but it is aimed at forming balanced foreign economic relations through various measures, including attempts to create a fairer and more open economic society. Moreover, it can also be linked to contributing to the growth of the world economy.

Next, I would like to explain the current domestic and foreign economic situations and fundamental economic management policies for fiscal 1992.

First, as far as the world economic trend is concerned, it is believed in developed countries that although the U.S. economy is moving toward recovery, its tempo is still slow, and lately a little stagnation is being felt. In Western Europe, the German economy, as a result of a decline in its domestic demand against the backdrop of their own and others tight financial policies, is entering a state of adjustment. On the other hand, the economy is gradually expanding in France. It is gradually moving toward recovery in the United Kingdom. In the Asia-Pacific region, we have the fundamental trend of a weak economy in some nations; however, it is continuing to expand in general. In the former Soviet Union and East European nations, which are trying to transfer to market economies, production declines, increased unemployment, and the fear of worsening inflation are becoming more serious.

Nevertheless, it is expected that developed countries' economies, mainly the United States and the United Kingdom, will gradually recover in general. Therefore, it is expected that this year's world economy as a whole will achieve higher growth than last year's.

On the other hand, there still are strong demands for protectionism in the international community, and some developing nations are suffering from large amounts of foreign debt. We should continue our efforts for dealing with such various problems. In particular, it is important to increase the world's propensity to save since the demand for loanable funds is expected to pick up worldwide as the world economy enters a new phase of readjustment.

Regarding trends in the domestic economy, the economic expansion in Japan is currently slowing down as can be seen in a housing construction slump. However, the nation's unemployment rate remains low backed by heavy demands for manpower, and individual consumption and price behavior also remain stable. Thus the Japanese economy is now shifting from strong but overheated growth toward promoting noninflationary and sustainable growth. Taking into account foreign and domestic business trends, the rate of real economic growth in fiscal 1991 is expected to reach about 3.7 percent. With respect to price behavior, wholesale prices in fiscal 1991 will fall about 0.4 percent, while consumer prices will rise about 2.9 percent.

Regarding the economic situation, I would like to put emphasis on the following points as principles of the government's economic management policy in fiscal 1992:

First, the government intends to maintain noninflationary and sustainable economic growth, primarily led by domestic demands. To smoothly shift the nation's economic growth policy, the government will take a stance that economic policies should give much consideration to business trends and not slow down business activities by discouraging entrepreneurs.

The fiscal 1992 budget plan has been drawn up on the foundation of this governmental stance, while the present fiscal condition is the worst in several years. In particular, this year's public investment programs are given special priority at both national and local levels in order to achieve objectives indicated in the 1990 public investment guidelines. Under the fiscal 1992 budget plan, the public investment budget appropriated in the general account budget will rise by 5.3 percent from the current fiscal year. The budget for fiscal investment and loan programs will be 10.8 percent, and the budget for local-government projects will increase by 11.5 percent. These measures, following last year's three-discount rate cut decisions, adequately meet the needs of the times. Moreover, in late 1991 the government decided to ease control over estate loans to smooth the supply of funds for accelerating housing construction.

The government view is that appropriate fiscal and financial conditions have already been provided to enable the nation to maintain and expand economic growth led by domestic demands. We strongly hope that the public will engage in economic activities with a heightened sense of confidence and energy. The government will maintain the present policy to stabilize prices and employment, and will try its best to carry on appropriate and flexible economic management policy in line with policies of major nations.

Price stability is the key to the public welfare, and is the basis of the nation's economic management policy. The government estimates that price behavior will remain stable in fiscal 1992. Wholesale prices will dip about 0.2 percent, and consumer prices will rise by roughly 2.3 percent. The government will try its best to maintain price stability, paying attention to crude oil price trends and the foreign exchange market, as well as supply-demand balance in the domestic market.

The financial policy should be carried on appropriately and flexibly in view of foreign and domestic business trends as well as the monetary situation in the international market. Also, the government will work on positive promotion of assistance programs for encouraging smaller businesses, securing job opportunities for aged citizens, and easing the inter-trade gap in work force procurement. Governmental policies and private-sector vitality will steadily increase individual consumption and capital investment. Thus, Japan is expected to realize noninflationary and sustainable economic growth in fiscal 1992, led by stable domestic demand. In consequence, the rate of real economic growth in fiscal 1992 will reach about 3.5 percent.

Second, the government will aim to utilize the achievements of its grown-up economy to improve the quality of public life so that the public can actually feel their economic prosperity on various occasions. In other words, we intend to change the nation into a so-called quality-of-life superpower. To further improve the basis of public life, the government will promote programs to enrich social capital in line with the public investment guidelines. As a result of the recent land price hike, it has become very difficult for ordinary workers to own their houses in urban areas. Land price rationalization is one of the most urgent tasks of the government in response to demands for appropriate housing and social policies. Also, this policy should be carried out from the standpoint of correcting the disparity between domestic and overseas prices, and to encourage foreign investments in Japan. Therefore, the government will appropriately implement estate-related laws in accordance with the 1989 Basic Land Law, and promote land utilization plans and other structural land policies. The government will also maintain a financial policy to resume estate loan control whenever there are signs of further land price hikes. In addition, the government will provide housing in urban areas. At the same time, the government will also work on decentralization of the urban functions of Tokyo, development of smaller cities, and

activation of rural villages, to redress the concentration of population in the Tokyo metropolitan area, and to make living in smaller towns more attractive.

On the labor front, the government will try to shorten the working hours of the private sector by promoting a five-day workweek, longer vacations, and reduced overtime. To achieve the objectives, the government will encourage the formation of public consensus and offer appropriate guidance of and support for labor-management consultations.

The average of commodity prices in Japan is still more expensive than that in the international community, and this is one of the reasons why the public cannot actually feel our nation's economic prosperity. With respect to the problem of the disparity between domestic and overseas prices, the government and the ruling Liberal Democratic Party have organized headquarters to work out measures for coping with the problem. In line with policies hammered out by the headquarters, the government will continue to cope with the problem.

Regarding the policy for consumers, the government intends to aggressively and comprehensively pursue policies laid down by talks on consumer-related legislation in order to deal with changes affecting consumers, and enable the consumers to lead safer and more affluent lives. On product liability in particular, the government will make a comprehensive study of this and it is an urgent task for the government. The government is asking the National Life Deliberation Council to continue energetic discussions on this point. The government plans to improve further education programs for consumers and provide consumers with more information through the National Life Center. Besides these, the government, in line with the Medium and Long-Term Energy Self-Sufficiency Plan, will take steps to save energy and resources, and will seek to build a society which treasures energy and resources, while paying attention to global environmental problems.

Third, the government will take the initiative in changing the current international economic cooperation structure, in averting protectionism, while striving to maintain the free trade system and increase imports. The government will also maintain harmonized external economic relations and will make positive contributions to the vitalization of the world economy. To that end, the government will seek to make Japan's markets more accessible with the help of activities by the Market-Opening Issue Deliberation Headquarters and to take steps to make more imported goods salable in Japan. The government also will seek to maintain balanced external trade with other nations by expanding trade in a balanced manner. The government will encourage foreign investments in Japan, while encouraging Japanese enterprises to make investments in foreign nations in a harmonized fashion. The government will make more contributions to the success of the Uruguay Round and will strive to implement them with honest agreements to be reached upon at the round.

Japan-U.S. relations are the most important bilateral ones for Japan. The Tokyo Declaration released during the recent visit by President Bush to Japan calls for building a closer partnership between Japan and the United States. The government will work to maintain and develop good economic relations between the two countries.

On relations with European nations, the government will work to strengthen cooperative relations with them in line with the Japan-EC Joint Statement. Regarding economic assistance to developing nations, the government will seek to win the understanding of the Japanese and other nations on assistance, by clarifying the basic goals of assistance to them. The government will seek to expand economic assistance and work for its effective use based on the medium-term goal of the Official Development Assistance [ODA]. The government will also continue to recycle funds for developing nations that are saddled with cumulative debts. In providing the ODA, the government will continue to pay attention to environmental problems.

On the Asian and Pacific region, the government will further cooperate with nations in the region in economic, trade, and personnel training areas based on the belief that the sustained robust growth in the region is important for the growth of the world economy. The government will also seek to hold dialogue with those nations on the regional economic situation and economic policies.

On the nations of the former Soviet Union, the government believes that the economic stability and a smooth transition to a market economy in those nations are very important for the stability of the world economy and it will provide appropriate assistance to those nations after seeing how they will promote their reform programs in the future. On East European nations, the government will help them make smooth transitions to market economies.

On global environmental problems, the government believes that the preservation and improvement of the global environment are indispensable for the sustained growth of the world economy. With this in mind, the government will seek to balance the relationship between the preservation of the environment and the stable growth of economy, and it will help identify causes for the global environmental problems and resolve them through international cooperation, using Japan's know-how, experiences, and technology necessary to resolve them. In my economic policy speech, I have stated the major tasks facing Japan and the government's basic economic management policy. Needless to say, it is necessary for the government to implement this policy based on a medium- and long-term perspective. The situation surrounding Japan's economy and society has been changing greatly in the last few years following the end of the cold war. I believe that the government needs to explain without delay, its new economic policy to the

people. For this reason, the government asked the Economic Deliberation Council on 14 January to work out a new economic policy. First, the government, under the new economic policy, will aim to build a life-style superpower, or a just society in which every person can feel actually affluent and comfortable, and varied values are respected. Second, the government will aim to lay the foundation for building an economic society full of vitality which will pave the way for constructing the life-style superpower toward the 21st century. Third, the government will aim to make contributions to the world peace and prosperity, while participating in international efforts to settle global issues. The government plans to ask the Economic Deliberation Council to focus its discussions on these three points. As I stated at the beginning of my policy speech, it has become necessary for Japan to make positive contributions to the stimulation of the world economy by playing a vigorous role and fulfill responsibility in a manner compatible with its status in the international community. In managing Japan's economy in the future, the government will aim to build the life-style superpower. It is very important for the government to continuously pursue the sustained growth of a noninflation and domestic demand-oriented economy on a medium- and long-term basis. In view of the importance of Japan's economy in the world economy, I believe that this policy will contribute to the stable growth of the world economy. The government will work to build this life-style superpower in which a better relationship between enterprises and individuals are established, all people, men and women, can lead their diversified lives, their personality and characteristics are respected, and the aged and the handicapped can enjoy their lives. The government intends to work to build an affluent, comfortable, just, and open economic society where various options are possible. To deal with various tasks at home and abroad, the government intends to drastically change the conventional system, thinking, and other aspects. The people may suffer pain inflicted by this government's policy. The government may face difficulties in grappling with the tasks. However, the government needs to grapple with these tasks despite these difficulties in order to maintain Japan's status compatible with its capability in the international community, and to build a society where all people can lead their lives vigorously. I would like to ask for the people's cooperation and support.

Economy in 'Adjustment Phase', Expansion Slowed

*OW2801004192 Tokyo KYODO in English 2357 GMT
27 Jan 92*

[Text] Tokyo, Jan. 28 KYODO—Japan's economy has entered an "adjustment phase" and the government is taking pump-priming measures to achieve sustained, noninflationary growth led by domestic demand, the Economic Planning Agency (EPA) said Tuesday.

The EPA said in its monthly economic report that the tempo of economic expansion has slowed and that the economy is in the process of shifting toward noninflationary, sustained growth.

The government report for the latest month marks the first time in five years the agency has clearly stated that the economy is in a "process of adjustment" and that the clip of economic expansion has slowed.

In its report released last month, the EPA said economic growth was in the process of decelerating.

The EPA said the use of the term "adjustment" was prompted mainly by inventory adjustments in the housing, automobile, and capital goods.

Prime Minister Kiichi Miyazawa's cabinet submitted its fiscal 1992 budget plan to the current Diet session late last week, which calls for increased spending on public works, the report said.

The Bank of Japan's December 30 cut in the official discount rate by 0.5 percentage point to 4.5 percent per annum was also meant to stimulate the economy, it said.

The official lifting in late December of restrictions on growth in real estate-related lending was also aimed at pumping up the economy, it said.

Up to now, the EPA has said the economy is in the process of shifting to sustained economic growth, an EPA official said in a press briefing.

The agency decided to say the economy is "in the process of adjustment" because the wording of its previous reports would suggest that the economy could continue on a path toward sustained economic growth on its own, which the government believed would be too optimistic an assessment, he said.

The change in wording means that the government realizes the economy cannot be left alone and that it will be flexible in addressing the matter.

The official said it was too early to say whether the economy is in the process of expanding or contracting, adding that the government needs more data before it can make such an assessment.

Local Opinions Sought for 5-Year Economic Plan

*OW2401111892 Tokyo KYODO in English 1054 GMT
24 Jan 92*

[Text] Tokyo, Jan. 24 KYODO—A blue-ribbon advisory panel to the prime minister said Friday it will hold meetings in five major cities across the nation in March to gather opinions on a new national five-year economic plan now being formulated.

Gaishi Hiraiwa, the head of the economic council working on the long-term economic plan, called the council members to their first meeting Thursday.

The plan is to guide Japan's economic management from fiscal 1992, which starts April 1, to 1996.

Aiming at improving the quality of life and developing the infrastructure for the next century as well as contributing to global issues, the council placed importance on exchanging opinions with regional economic leaders and experts, according to a source in the council.

Suggested cities for the meetings are Sapporo, Nagano, Osaka, Hiroshima, and Kumamoto.

In Thursday's meeting, Hiraiwa also named leaders for the council's four committees covering such issues as public policy, quality of life, development foundations, and global issues.

Two deputy leaders for the committees were appointed, together with chiefs for subcommittees on such issues as social overhead capital, labor, and economic cooperation, the source said.

The council's second meeting will be February 28, the source said.

Inventory Adjustment Slows Economic Growth Pace

*OW2401090192 Tokyo KYODO in English 0837 GMT
24 Jan 92*

[Text] Tokyo, Jan. 24 (KYODO)—Ongoing inventory adjustment is putting a lid on domestic production, thereby decelerating the pace of economic growth, the Bank of Japan (BOJ) said Friday.

In its monthly report on economic and financial conditions, the BOJ also said corporate capital spending is losing steam, especially in the manufacturing sector.

The Central Bank, however, said consumer spending remains strong, supported by the tight labor market.

Also providing momentum for the economy is expanding public works spending, it said.

A BOJ official briefing reporters said it's unlikely the labor market will ease substantially in the near future.

"Japanese corporate managers are recruiting employees because of the long-term prospects of the labor shortage," the official said.

"So a downswing in the economy in the short-term won't have a major effect on the situation."

He said another factor keeping the labor market tight is the trend toward shorter working hours.

An estimate shows the movement toward shorter working hours is boosting domestic employment by 1 percentage point every year, he said.

The labor conditions will continue to sustain the strong consumer spending for the foreseeable future, he said.

"It would require a big shock to depress consumer confidence sharply," he said.

Suzuki Aiming at Hike in Domestic Car Sales

*OW2401122292 Tokyo KYODO in English 1205 GMT
24 Jan 92*

[Text] Tokyo, Jan. 24 (KYODO)—Suzuki Motor Corp. on Friday announced a 1992 business plan which projects a 3.9 percent year-on-year increase in car sales in Japan to 580,000 vehicles.

By model, sales of minicars will increase 2.4 percent to 525,000, company officials said.

The largest minicar producer and third largest motorcycle maker is hoping that good sales of its newly launched sports model "Cappuccino" will contribute to the projected increase in minicar sales, company officials said.

According to the plan, sales of compact cars are expected to jump 20.7 percent from a year earlier to 55,000 vehicles, supported by good sales of the four-wheel-drive "Escudo" model intended for leisure use.

Exports are predicted to rise 3.3 percent to 283,000 vehicles, mainly through an increase in exports to the Southeastern Asian market, the officials said.

Overseas production is expected to increase by a sharp 19.8 percent to 571,000 vehicles through increased production by a joint venture with General Motors Corp.'s Canadian Unit, they said.

Domestic motorcycle sales are also forecast to rise 3.7 percent to 275,000 vehicles with the introduction of new lineup, they said.

Nissan Motor Firm Launches New 'March' Model

*OW2401083692 Tokyo KYODO in English 0823 GMT
24 Jan 92*

[Text] Tokyo, Jan. 24 KYODO—Nissan Motor Co. on Friday launched a new "March" model into the market after making the first full model change since 1981, company officials said.

The company intends to make the new model long-lived like the previous one and will not carry out model changes in a four to five year cycle as it does for other vehicles, the officials said.

The compact's new model, with a new four-cylinder, 16-valve engine with 1000 cc or 1300 cc displacement, has more space because it is taller, they said.

A newly developed, continuously variable transmission, installed on the 1300 cc displacement car model, has good mileage and high-powered performance, they said.

For the European market, Nissan's British manufacturing unit will provide the new model, they said.

Three-door and five-door versions are available. The three-door model, with 1300 cc engine displacement and an air conditioner, is priced at 1.27 million yen nationwide except Hokkaido, where the price is 12,000 yen higher, they said.

Supermarket Chains Review Store Opening Plans
*OW2401105592 Tokyo KYODO in English 1038 GMT
24 Jan 92*

[Text] Tokyo, Jan. 24 KYODO—Major Japanese supermarket chains are reviewing their strategies for opening new stores since competition is expected to intensify with the deregulation of the retail industry, business sources said Friday.

The revised large-scale retail stores law, which speeds up the government approval process for new large stores, goes into effect at the end of this month as part of the ongoing deregulation of the industry.

Rising construction and labor costs are likely to make store openings more costly in coming years.

The supermarket chains could face serious losses if they go ahead with all of their plans for new stores, the sources said.

Jusco Co. and Uny Co., among other operators, are reviewing their government-approved plans to open new stores to determine the profitability of the plans, they said.

Jusco, which has permission to open 63 stores nationwide, has abandoned three of them and plans to open eight or nine stores in fiscal 1992, which starts in April, company officials said. This is about the normal pace of store openings for the company.

The company will conduct a thorough review of its strategy for opening stores in the future, the officials said.

Nichii Co., which has obtained approval for more than 20 new stores plans, is considering giving up plans for stores of less than 10,000 square meters in floor space, they said.

The current large-scale retail stores law has limited competition between large supermarkets but the revised law tends to promote competition.

IBM Japan Decides To Cut Directors' Salaries
*OW2401103692 Tokyo KYODO in English 1000 GMT
24 Jan 92*

[Text] Tokyo, Jan. 24 (KYODO)—IBM Japan Ltd. has decided to cut this year's pay for directors and freeze executives' salaries due to poor business results, company officials said Friday.

The company slashed the salary of the president by 10 percent, executive directors by 8 percent, and directors

by 5 percent, the officials said. Thirty-three directors are subject to the cut, with only part-time auditors excepted.

A pay hike for executives will be suspended for an indefinite period until the company's business outlook becomes more promising, they said.

The IBM group suffered a loss in 1991 for the first time ever, but only IBM Japan so far has clarified management's responsibility, the officials said.

International Business Machines Corp. of the United States is also reportedly discussing a reduction in directors' pay.

The IBM group posted a loss of 2.8 billion dollars in 1991 with sales falling 6.1 percent from a year earlier due to a delay in coping with ongoing downsizing of equipment and the global economic slowdown.

As a result, the group decided last December to reduce its work force by 20,000 employees.

Meanwhile, IBM Japan is expected to stay in the black, though its profit fell for the third consecutive year in 1991, and will not reduce personnel, the officials said.

Chugoku Electric Plans To Use Recovered Uranium
*OW2401122492 Tokyo KYODO in English 1153 GMT
24 Jan 92*

[Text] Hiroshima, Jan. 24 (KYODO)—Chugoku Electric Power Co. said Friday it will use uranium recovered in reprocessing depleted nuclear fuel to run its Shimane Atomic Power Plant.

The company did not say when it will begin using the recovered uranium.

Chugoku Electric was responding to a question from a local group opposing nuclear and thermal power plants. The group opposes the planned use of recovered uranium, saying the material emits more gamma radiation than natural uranium.

Nine Japanese utilities, including Chugoku Electric, last August entered into a contract with Power Reactor and Nuclear Fuel Development Corp. for the reenrichment of a total of 360 tons of recovered uranium over seven years starting in 1992.

Chugoku Electric has asked the governmental corporation to reenrich some 10 percent of that amount, power firm officials said.

CFC's Not as Harmful 'as Previously Thought'
*OW2401104292 Tokyo KYODO in English 1004 GMT
24 Jan 92*

[Text] Tokyo, Jan. 24 KYODO—Chlorofluorocarbons (CFCs) do not contribute as much to the greenhouse

effect as previously thought, according to a report released Friday by the intergovernmental panel on climate change subcommittee.

The report challenges the United States' assertion that restricting CFC use will limit the overall output of greenhouse gases despite an increase in carbon dioxide emissions. The United States has made that argument the basis of its negotiations for a convention on preventing global warming.

The report is to be presented to a conference of government panels on climate change in Geneva from February 10.

The basis of the report's conclusions is that CFCs damage the ozone layer, but that ozone has the same greenhouse effect as the CFCs.

As a result, the report said, the CFC contribution to the greenhouse effect was largely offset by the damage to the ozone layer in the lower stratosphere in middle and upper latitudes over the last decade.

Japan and European countries have maintained at previous meetings on a convention that advanced industrialized nations should, with the exception of CFCs, limit their greenhouse gas emissions, including carbon dioxide.

But the U.S. continues to insist that it would be difficult to control carbon dioxide emissions and calls for the setting of an overall target which would include CFCs.

CFCs are used in aerosol sprays and refrigerants.

Mongolia

Belarus' Kebich Arrives on Working Visit

LD2401063792 Moscow TASS International Service in Russian 0410 GMT 24 Jan 92

[By TASS correspondent Dugar Sanzhiyev]

[Text] Ulaanbaatar, 24 Jan (TASS)—A Republic of Belarus governmental delegation headed by V. Kebich, chairman of the Council of Ministers, has arrived here for a short working visit. This is the first visit here by a head of government of a sovereign state from the former USSR since the creation of the CIS [Commonwealth of Independent States].

The agenda of the Belarus governmental delegation's visit includes the signing of an agreement establishing diplomatic relations between the Mongolian People's Republic and Belarus and talks between the heads of government of the two countries. The chairman of the Republic of Belarus Council of Ministers is expected to be received by Mongolian President P. Ochirbat.

Sino-Mongolian Factory Built in Ulaanbaatar

OW2801102092 Beijing XINHUA in English
0946 GMT 28 Jan 92

[Text] Shenyang, January 28 (XINHUA)—China and Mongolia are jointly building a welding rod factory in Ulaanbaatar, capital of Mongolia.

This is the first Sino-Mongolian joint venture built in Mongolia.

The venture is funded by the Fushun Economic and Trade Company Ltd. (Group) in China's northeast province of Liaoning and the No. 1 Automobile Repair and Spare Parts Company of Mongolia.

Mongolia has now no welding rod factory and has to rely on imports from the former Soviet Union. Last January, it sent study groups to five countries to seek cooperative partners. They finally chose China as their cooperative partner.

The joint venture is designed to have an annual production capacity of 3,000 tons. Its contracted term is 10 years.

Now the China-made welding rod equipment is being installed and is scheduled to go into production in March this year.

People's Great Hural Session Closes 25 Jan

OW2501161892 Beijing XINHUA in English
1537 GMT 25 Jan 92

[Text] Ulaanbaatar, January 25 (XINHUA)—The second session of Mongolia's People's Great Hural closed here today, which witnessed the passing of a new Constitution.

The Hural opened for discussion on November 11, 1991, and passed the new draft Constitution which provides for a multi-ownership economy in the country.

The session also discussed the government's work report submitted by Mongolian Premier Dashiyn Byambasuren and the working report of the Small Hural by chairman Radnaasumberliyn Gonchigdorj.

During the session, Byambasuren offered to step down from office but his resignation offer was turned down by Mongolian President Punsalmaagiyn Ochirbat. Later on, the premier withdrew his resignation request.

59 percent of session representatives cast their votes for Byambasuren to remain in office in a secret ballot.

The session also added 8 new members to the Small Hural which had vacant positions for various reasons.

And the newly elected chairman of the Great Hural, Jambaldorji Urtnasan, delivered a closing address, in which he announced the Great Hural had finished its historical task.

As set down by the new Constitution, Mongolia will hold a national election to select members to the State Great Hural and form a new government this June.

North Korea

Delegation Leaves for Joint Talks With Japan

SK2801102992 *Pyongyang KCNA in English*
1016 GMT 28 Jan 92

[Text] Pyongyang January 28 (KCNA)—A DPRK Government delegation led by Vice-Minister of Foreign Affairs Chon In-chol left here today to attend the sixth DPRK-Japan intergovernmental talks for the normalization of diplomatic relations due to be held in China.

Kim Tal-hyon Meets Belarus Trade Delegation

SK2801001092 *Pyongyang KCNA in English*
2244 GMT 27 Jan 92

[Text] Pyongyang January 27 (KCNA)—Vice-Premier Kim Tal-hyon today met the government trade delegation of Belarus headed by Nikolay Aleksandrovich Makaed, first vice-chairman of the Committee of External Economic Relations.

The head of the delegation said he was greatly impressed by the sight of gigantic construction in the Democratic People's Republic of Korea, noting that the Korean people who have built Pyongyang once seriously destroyed into a magnificent city today and constructed such grand monumental structures as the West Sea barrige in a short period are really hard-working admirable people.

Further on Visit by Cuban Trade Delegation

Economic, Technological Protocol Signed

SK2801001492 *Pyongyang KCNA in English*
2240 GMT 27 Jan 92

[Text] Pyongyang January 27 (KCNA)—A protocol of the 15th meeting of the Korea-Cuba Intergovernmental Economic and Scientific-Technological Consultative Committee was signed here today.

It was signed, on the Korean side, by Kim Tal-hyon, vice-premier and minister of foreign trade, and, on the Cuban side, by Ricardo Cabrisas Ruiz, minister of foreign trade.

A protocol on the exchange of commodities for 1992 between the two governments and a protocol of the 15th meeting of the Scientific-Technological Subcommittee of the Economic and Scientific-Technological Consultative Committee were also signed.

Cuban Ambassador Hosts Party

SK2801060892 *Pyongyang KCNA in English*
0429 GMT 28 Jan 92

[Text] Pyongyang January 28 (KCNA)—Cuban Ambassador to Korea Juan Jose Leon Vega hosted a reception Monday evening at his embassy upon the conclusion of the Korea visit of the government delegation of the Republic of Cuba.

Invited to the party were Vice-Premier and Minister of Foreign Trade Kim Tal-hyon, Vice-Minister of External Economic Affairs Kim Chong-u, and other officials concerned.

Members of the Cuban Government delegation headed by Minister of Foreign Trade Ricardo Cabrisas Ruiz were present.

DPRK Assembly Delegation Meets Egyptian President

SK2501101492 *Pyongyang KCNA in English*
0959 GMT 25 Jan 92

[Text] Pyongyang January 25 (KCNA)—I sincerely hope that Korea will surely be reunified in the '90s as desired by President Kim Il-song, said Egyptian President Muhammad Husni Mubarak Tuesday [21 January] when he met a delegation of the DPRK Supreme People's Assembly headed by its Chairman Yang Hyong-sop.

I want you to tell respected President Kim Il-song that the Egyptian people always firmly support his line of national reunification, he added.

Daily Calls on South To Abandon 'Confrontation'

SK2801055592 *Pyongyang KCNA in English*
0446 GMT 28 Jan 92

["Position of Confrontation Must Be Renounced"—KCNA headline]

[Text] Pyongyang January 28 (KCNA)—The South Koran "defence minister" showed up at the ground and air force headquarters of the puppet army some time ago and cried that they should back with strength the on-going North-South dialogue so that it could progress smoothly.

Commenting on this, a NODONG SINMUN analyst says:

The South Korean puppet military boss whipped up confrontation and war even after an important agreement including a promise of nonaggression was adopted between the North and the South. This is obviously contrary to the spirit of North-South agreement; this has caused natural concern and anger at home and abroad.

Recalling that during his South Korea trip U.S. President Bush threatened the DPRK, blaring that the U.S. "peace overture" is "backed" by "military resolution", that the U.S. imperialists and the South Korean puppets are

staging joint military exercises almost every day by hurling larger aggression forces into South Korea from the beginning of the year after they announced that they would not stage the "Team Spirit" war exercises this year and that the South Korean puppets are putting spurs on arms buildup, the news analyst continues:

Facts show that there is no change in the aggressive Korea policy of the U.S. imperialists and in the confrontation and war policy of the puppets tailing behind it.

The argument that "a smooth progress of the North-South dialogue" must be "backed by strength" is a reversed logic that can be brought forward only by warmaniacs.

North-South dialogue is for peace and reunification of the country and it is utterly incompatible with war racket.

The No Tae-u group is stepping into the old shoes of the predecessors to reduce the historical agreement to a mere sheet of paper. The South Korean authorities must renounce the anachronistic position of confrontation.

If the South Korean authorities abandon the promise of nonaggression and follow the road of confrontation and war, there will be nothing good for them, warns the paper.

Daily on 'Independent Stand' in Reunification

*SK2701104892 Pyongyang KCNA in English
1015 GMT 27 Jan 92*

[**"Independent Stand Is Fundamental Position in Accomplishing the Reunification Cause"**—KCNA headline]

[Text] Pyongyang January 27 (KCNA)—The independent stand clarified by the great leader Comrade Kim Il-song is a fundamental position that must firmly be maintained in accomplishing the reunification cause in light of the essence and character of the national reunification question, the proud patriotic tradition and valuable historic experience of our people as a single nation and the ardent desire of the fellow countrymen for unity and reunification, stresses NODONG SINMUN in a signed article today.

The article quotes the great leader Comrade Kim Il-song as teaching:

"The independent stand is a fundamental position that must firmly be held to in effecting the North-South agreement and in bringing about the reunification cause."

The article says:

The independent stand is the fundamental position that must be adhered to in accomplishing the reunification

cause. It is, above all, because this stand is a most correct one in view of the character of the national reunification question.

The struggle for national reunification is a nation-wide cause of fulfilling the task of national liberation and achieving the independence of the Korean nation, not of solving any class contradiction or confrontation between systems.

The great leader, basing himself on the chuche-oriented view on the nation, regards the reunification problem as one for realizing the independence of the nation throughout the country and one concerning the life itself of our nation and expounded once again that the independent stand of the nation must be firmly held to for connecting the severed blood vessels of the nation artificially divided by U.S. imperialism and for achieving the reunification of the country.

The independent stand is the fundamental position that must be firmly held to in accomplishing the national reunification cause also because the independent stand is a patriotic one making it possible to strengthen the driving force of national reunification in accordance with the requirement of the chuche idea and realize the reunification of the country by the internal force of the nation.

The cause of national reunification is a nation-wide cause of realizing the independence of our nation and the driving force for national reunification is the Korean nation.

If our nation is to discharge its responsibility and role as the driving force of national reunification, it is imperative, above all, to achieve national unity on the basis of national independent spirit. In other words, it is necessary to prepare a firm independent force of the nation, the master and motive power of national reunification.

The independent stand is a fundamental position that must firmly be held to in accomplishing the national reunification cause, next because it is a most reasonable stand which makes it possible to bring earlier the reunification of the country by giving impetus to the situation on the Korean peninsula tending towards reunification.

As the North-South agreement is a joint document of the North and the South embodying the principle of national independence, what great vitality it will display in paving the way of national reunification lies in how the North and the South adhere to the independent stand. Those who truly want to contribute to national reunification, therefore, must not rely on the outside forces, the chieftain of division, but maintain the independent stand of depending on the internal force of the nation.

If the reunification of our country is to be achieved in an independent and peaceful way, the whole nation must unite on the principle of national independence, stresses the article.

Daily on Deplorable Situation of South's Workers

*SK2501055992 Pyongyang KCNA in English
0454 GMT 25 Jan 92*

[**"Sixth Republic"—'Regime' for Handful of 'Financial Groups'—KCNA headline**]

[Text] Pyongyang January 25 (KCNA)—The National Council of Trade Unions of South Korea (Chonnohyop) announced that a total of 1,634 workers had been arrested by the end of last year since the emergence of the "Sixth Republic."

This is a graphic example showing how viciously the No Tae-u ruling group wielded the fascist bayonet to suppress the legitimate labour union activities of the workers and their demands for vital rights, says NODONG SINMUN today.

The news analyst continues:

As the competent authorities of South Korea admitted, the work conditions in South Korea are very deplorable. Under the fascist rule of the "Sixth Republic," the South Korean workers are forced to work like slaves under the worst work conditions for the longest time in the world, but their wages are far lower than the minimum living cost.

It is natural that those workers should form unions and rise in struggle to defend their rights and eke out an existence.

Recently the puppet "labour minister" openly declared that the authorities' action against the labour movement was aimed at protecting employers.

This implied that the "Sixth Republic Government" is a "regime" for a handful of "financial groups" and would force any sacrifice on the workers in order to protect the interests of those groups.

Although the No Tae-u group talks about "equitable labour-management relations," it is a lie. What the No group is concerned about is how to rake much political fund from the employers for "elections" to prolong its government power in reward for suppressing the labour movement more harshly and protecting the employers with the expiration of the term of office at hand.

'Material Incentive' in Socialist Economy Viewed

*SK2601144192 Pyongyang MINJU CHOSON
in Korean 25 Dec 91 p 2*

[Article by Kim Yong-sok: "Economic Technological Method Is an Important Method for Managing and Operating Socialist Economy"]

[Text] To carry out socialist economic management in conformity with the objective economic law and the scientific and technological demand of production, we should manage and operate the economy with the economic technological method. This is an important

problem at present in effecting continuous innovations in all fields of production and construction and in developing the socialist economy as a whole onto a new higher stage.

The dear leader Comrade Kim Chong-il has noted: The economic technological method is an important one for managing and operating the socialist economy.

In socialist economic management, the economic technological work for realizing the scientific technological demands of production, as well as the objective economic law, is essential. The economic technological method means conducting it scientifically and rationally. An objective economic law is applied to the socialist economy as well, and numerous scientific and technological demands are raised in production and construction in the condition of production being highly modernized and made scientific. To correctly realize these demands, we should manage and operate the economy with the economic technological method. This enables us to make continuous growth in production.

Managing and operating the economy with the economic technological method is an important way to manage and operate the socialist economy in conformity with the objective economic law and the scientific and technological demand of production.

The economic technological method requires, first of all, that we conduct all managerial activities efficiently in a united and planned manner. The economic organizations and enterprises should conduct their managerial activities in a planned manner according to the party's line and policy and the state's unitary people's economic plan. This will develop the economy in society's common interest, will precisely ensure proper relations among the complex and versatile production units, each of which forms one economic organism, and will satisfactorily expand socialist production.

A socialist economy, where production is simultaneously based on the highly developed division of labor and cooperative labor tasks, demands that the managerial activities be highly organized. The economic managerial order based on collectivism should be followed with self-awareness in all production processes, such as production organization, technological management, supply of raw materials, and labor organization. The economic managerial order should be carried out scientifically and efficiently to fulfill the production task in terms of quality and quantity and by targets.

Thus, the economic technological method is an important demand to conduct the economic management and operation in a planned and organized manner by setting up plans meticulously and in detail, closely calculating the factors affecting production and enterprise operation, and by conducting the production and managerial activities rigorously based on them.

The economic technological method is an important one for managing and operating the socialist economy

because this, above all, enables us to intensify the scientific and technological guidance for production.

The socialist economy is a modern, large-scale economy, in which the production process means a technological process. Therefore, a scientific and technological demand is raised in the entire course of planning, preparing, and fulfilling production. This characteristic feature of the socialist economy demands that production be guided scientifically and technologically.

Only when scientific and technological guidance in production is realized can technological factors, which arise in developing a production plan, be accurately considered. Only then can priority be given to technological preparations for production. By so doing, the entire course of production can be run according to scientific and technological requirements. Economic and technological requirements, which arise in the entire course of production, cannot be realized without consolidating economic and technological guidance for production. Without this, the economy cannot be managed and operated in accordance with the socialist economic characteristics. This is because relations between sectors and between manufacturing processes have become more complicated and because a scientific and technological level has become matchlessly higher. For this reason, making a careful plan, organizing management, and strengthening scientific and technological guidance in production are ways to conduct scientific economic management in keeping with the inherent demand of the modern and large-scale socialist economy. As the socialist economy develops onto a higher level, we should more deeply realize these ways.

According to the realistic demand that the economy be constantly modernized, that the economic scientific and technological level become higher, and that the economic scale become larger day by day, our party has led economic management with an economic technological method. We have managed and operated the economy with an economical technological method in all domains of the national economy, including agriculture and industry, in accordance with the party's intent. We have turned the production process into a technological process. We have positively accelerated the process of making the national economy science-oriented, modern, and scientific. As a result, great success has been achieved in socialist economic construction. This confirms that an economic technological method is an important one to manage and operate the modern and large-scale socialist economy, in accordance with the realistic demand for scientific and technological development.

Another reason why an economic technological method is an important one is that this is capable of managing and operating the economy in accordance with the transitional nature of socialist society.

Material incentive reflects the transitional nature of socialist society. This is one of the important contents in

managing and operating the socialist economy with an economic technological method. Material incentive can be realized by utilizing an economic law and categories reflecting the transitional nature of socialist society. Thus, we should properly utilize the economic law and categories. By so doing, we can turn them into an economic way to incite and control the realization of a collective principle in accordance with the inherent characteristics of socialist society. Economic law and categories, which are part of transition, are remnants of outdated society. For this reason, whether the economic law and categories can be effectively served in realizing a collective principle depends upon how we utilize them. Material incentive in socialist society is an economic means serving the realization of a collective principle. Therefore, material incentive should be an economic means for realizing collectivism mainly based on a political method.

Only when the individual profit system and the socialist distribution principle are implemented in socialist society so that production groups and producers who have done more work for the interest of the party, the state, society and people and who have made more contributions get a higher distribution and appraisal, can one increase the people's productive zeal. The individual profit system and socialist distribution principle are not contradictory to the collectivist principle in socialist society but rather constitute a condition for more excellently implementing this system and principle. Therefore, precise implementation of the individual profit system is a guarantee for correctly realizing the collectivist principle in socialist society and for highly demonstrating the revolutionary zeal and creative activity of producers.

In order for the individual profit system to serve as an economic means for realizing the collectivist principle, one should abide by the principle of giving relative independence to business activities of enterprises and of more highly appraising the enterprises that produce more profits for the state. By so doing, one can smoothly ensure the interest of an individual production group, even while thoroughly ensuring the profit for the state, through economic management and economic operation.

Precise implementation of the individual profit system and socialist distribution principle is an important issue in managing and operating the economy by correctly using economic leverage in compliance with the collectivist principle in socialist society. In order for one to satisfactorily manage and operate the socialist economy, one should correctly use economic leverage. For this, one should make the economic leverage, which implements the socialist distribution principle, correspond to the collectivist principle. Only by doing so can one guarantee the interest of producer groups, even while ensuring profits for the state, enhance the workers' production volition to the maximum, and effect constant advance in production and construction.

Thus, implementation of the individual profit system and socialist distribution principle in accordance with transitional nature of socialist society means material incentive. This material incentive serves as an important factor in reflecting economic and technological methods in managing and operating the socialist economy.

Today, when the socialist economic construction is progressing rapidly and when scientific and technological standards in all production processes have been constantly enhanced, our economic guidance functionaries face an important mission to more thoroughly embody the economic technological method in economic management and operation.

Economic guidance functionaries should vigorously wage the struggle to further deepen scientific and technological guidance over production in compliance with the character of the socialist economy and with the demand of developing realities.

All economic guidance functionaries should substantively organize and carry out the work for strengthening the economic and technological guidance according to the actual characteristics of their own domain and unit, and thus should place the modern, large-scale socialist economy on a lofty scientific and technological foundation. They should also effect a constant advance in production and construction. Therefore, they should consolidate our self-reliant, modern economic foundation and further strengthen the might of the socialist economy.

Development of Machine-Building Industry Detailed
SK2801000092 Pyongyang KCNA in English
2217 GMT 27 Jan 92

[Text] Pyongyang January 27 (KCNA)—The machine-building industry is rapidly developing in the Democratic People's Republic of Korea.

The great leader President Kim Il-song has said:

"The key to the development of all sectors of the economy—power, iron, coal and chemical industries and agriculture—is the development of the machine-building industry."

Attaching great importance to the development of the machine-building industry, Korea has made much investment in it and created an independent and modern machine-building industry which is developed in a multi-faceted way, relies on domestic raw and other materials and is firmly equipped with developed technologies.

The machine-building industry meets now more than 98 percent of the needs of the country for machines and equipment by home production, producing and supplying a complete set of equipment to different sectors of the national economy including the metallurgical, chemical, power and mining industries.

Modern machines and equipment, such as a 10,000 ton press, an extra-large ammonia compounding tower, a 40,000 cubic metre centrifugal compressor, a 125,000 KVA [kilovolt-amperes] generator, a 200,000 cubic metre blower, a 18,000 cubic metre oxygen plant 20,000 ton cargo ships, numerical control lathes, 7,000 HP [horsepower] 8-axle electric locomotives, are all manufactured by the Korean working class with its own designs, technologies and materials.

The machine-building industry which accounted for a meager 1.6 percent of industrial production in 1944 increased 33.7 percent already 1977, and it has now reached a very high level.

Such brilliant successes are associated with the wise guidance of the dear leader Comrade Kim Chong-il who has bent efforts on the development of the nation's machine-building industry.

Giving on-the-spot guidance to many factories and enterprises in the domain of machine-building industry including the Yongsong General Machine Bureau, the Taean heavy machine complex and the Rakwon machine complex, Comrade Kim Chong-il indicated in detail the direction and ways of developing the machine-building industry.

On August 20, 1967, he visited the April 3 machine tool complex and praised the workers of the complex after seeing highly-efficient machine tools produced by them including 12-axle boring lathes, programming lathes (Kusong No. 1) and 315-type lathes (Kusong No. 2). Then he assigned them to a task of manufacturing much more high-performance new machine tools with a high rate of revolution.

Afterwards, the workers manufactured a high-speed all-purpose lathe (Kusong No. 3) and began to produce it in quantities in the 1970s.

This lathe was awarded a gold medal at an international fair in early 1970.

In the mid-1980s Comrade Kim Chong-il instructed the complex to manufacture a modern numerical control lathe. When the workers and technicians produced the Kusong No. 104 by pooling their creative wisdom and efforts, he personally acquainted himself with its performance and expressed satisfaction, appreciating their painstaking efforts.

He took a step of building the branch factory No. 104 specializing in the serial production of this lathe at the complex and also took measures to supply computers and oil-pressure elements needed for the production of numerical control lathes.

The branch factory No. 104 is now equipping itself with self-made modern machines and, at the same time, hastening preparations for serial production at the final stage.

Comrade Kim Chong-il also gave on-the-spot guidance to the Yongsong General Machine Bureau on several occasions, building it up as a leading machine producer of the country.

In recent years alone, the bureau has produced a large number of sets of ordered equipment including a 70 metre large-sized gantry planer with a processing capacity of 10,000 tons, a 10,000 ton press, an extra-large ammonia compounding tower and a 200,000 cubic metre blower.

Machines and equipment needed for the construction and expansion of such large-scale modern factories and enterprises as the Suncheon vinalon complex, the Sariwon potassic fertilizer complex, Taechon power station, the Chollima steel complex and the Hungnam fertilizer complex could be satisfactorily produced and supplied in the machine-building industrial sector in recent years under the wise guidance of Comrade Kim Chong-il.

Founding of Pyongyang Design Office Marked

*SK2301041492 Pyongyang Korean Central
Broadcasting
Network in Korean 1300 GMT 15 Jan 92*

[Text] A report meeting to mark the 40th anniversary of the founding of the Pyongyang Light Industry Design Office was held on the afternoon of 15 January.

Comrade Kim Pok-sin, candidate member of the Political Bureau of the Workers Party of Korea [WPK] Central Committee, vice premier of the State Administration Council, and also chairman of the Light Industry Committee; Comrade Pak Nam-ki, secretary of the WPK Central Committee, and personages concerned including Yi Yang-suk and Kim Chang-suk attended the meeting together with designers and employees of the Pyongyang Light Industry Design Office.

At the meeting, Comrade Pak Nam-ki read the congratulatory message from the WPK Central Committee to designers and employees of the Pyongyang Light Industry Design Office.

[Begin Pak Nam-ki recording] The congratulatory message:

To designers and employees of Pyongyang Light Industry Design Office:

On the occasion of the 40th anniversary of the founding of the Pyongyang Light Industry Design Office, the WPK Central Committee extends congratulations to all designers and employees of the office who contributed to founding a self-reliant and modern light industry base by cherishing lofty loyalty to the party and to the leader and by successfully implementing the assigned designing works. [applause]

With the mission of being in charge of and carrying out the design work for basic construction of central light industry plants, the Pyongyang Light Industry Design

Office was founded on 29 December 1951. Under the wise leadership of the party and the leader, this office excellently fulfilled its honorable revolutionary mission for the last 40 years.

Amid fierce flames of the fatherland liberation war, design functionaries of the Pyongyang Light Industry Design Office devotedly participated in the struggle to move light industry plants to safe places and to guarantee wartime production. During difficult postwar period, they successfully carried out the design of preliminary tools and instruments for fabricated construction [choripsik konsol] so that the party's policy for fabricated construction could be thoroughly adhered to and implemented.

The designing functionaries of the office responsibly ensured the design work and engineering guidance for several hundreds of new light industry plants, including Pyongyang General Textile Plant and the Yongsong Meat Processing Plant which are of great significance in upgrading our people's living standard, thus contributing to developing the nation's light industry.

By upholding the party's policy for light industry revolution, designing functionaries carried out at a high level the design for remodeling the production and technological processes in the existing light industry plants. Thus, they accelerated the chuche-orientation and modernization of light industry and contributed to further increasing the production of people's consumer goods.

The Pyongyang Light Industry Design Office has been fostered as the force, which is firmly prepared politically, ideologically, technologically, and practically amid the struggle to carry out the missions assigned by the party and as a design base with the foundation capable of excellently carrying out the design of any light industry plant.

By cherishing the spirit of absoluteness and unconditionality for the party's policy, the design workers and employees of Pyongyang Light Industry Design Office registered a great labor success in designing and remodeling light industry plants. The WPK Central Committee highly praises this. [applause] [end recording]

The congratulatory message pointed out that the Pyongyang Light Industry Design Office should effect a new turn in design work and engineering guidance for plant facilities so that the party's idea for epochally promoting the people's living standard be accomplished.

The congratulatory message stressed that the Pyongyang Light Industry Design Office should vigorously wage the struggle to accomplish the party's policy for light industry revolution and should excellently design light industry plants so that they can produce various kinds of good-quality consumer goods by effectively utilizing the raw materials, fuel, energy, and resources of our country.

At the meeting, Comrade Kim Pok-sin made a speech.

[Begin Kim Pok-sin recording] Comrades, today our people have a great joy and deep emotion for having elected dear leader Comrade Kim Chong-il supreme commander of the Korean People's Army [KPA]. Amid such joy and emotion, all party members and workers across the country, who warmly accepted the great leader Comrade Kim Il-song's New Year address this year, are effecting a great revolutionary upsurge on all fronts of socialist construction overflowing with confidence in victory and revolutionary optimism. Under this exciting circumstance, we are significantly greeting the 40th anniversary of the founding of the Pyongyang Light Industry Design Office which the great leader personally founded.

The dear leader comrade who always embraces into his bosom our designers with benevolent love and leads us warmly, sent the party Central Committee's congratulatory message to us who are welcoming the 40th anniversary of the founding of the Pyongyang Light Industry Design Office. He highly assessed our work and gave great strength and love to us.

The hearts of all of us, who embraced with endless glory and emotion the party Central Committee's congratulatory message, are currently beating infinitely, overflowing with deep gratitude and excitement. The hearts of all of us are also vigorously beating with a blazing determination to be loyal to the great leader and the dear comrade leader with a single mind.

Based on having deep insight concerning the position and role of the light industry to solve the problem of food, clothes, and housing for the people, the great leader and the dear comrade leader put forth a method to firmly establish a chuche-type and modern mass consumption goods production base, brilliantly elucidated the future of light industry at every time and stage of the revolutionary development, and on 29 December 1951, the Light Industry Ministry was established and a wise measure was taken to organize a design office which is professionally in charge of design in the light industry sector.

From the first day of our party's founding the foremost principle in its activity was to enhance the people's lives. Also, to provide a rich and cultured life for the people, our party put great strength in developing the country's light industry. Therefore, today our light industry has developed into an independent and modern industry, and is playing an important role in self-producing and supplying the light industrial products necessary for the people's food, clothes, and consumption goods.

The great leader Comrade Kim Il-song put forth the rapid development of the light industry as an important task to achieve the country's independent economy and improve the people's lives. Also from the past until today for almost half a century he concentrated all his energy and efforts into developing the light industry.

The dear leader Comrade Kim Chong-il has taught: Under the wise leadership of the party and the leader,

our light industry which started from scratch after liberation completely eliminated the backwardness which we inherited historically, and was firmly established into a chuche-type and modern mass consumption goods production base which is wholly provided with various sectors such as the textile industry, foodstuff processing industry, foot ware industry, and daily necessities industry.

From the anti-Japanese revolutionary struggle period, the great leader Comrade Kim Il-song who developed the far-reaching plan to construct a self-dependent national economy, provided a basis for a self-dependent light industry which is dependent upon its own solid raw materials. This was possible even from the early period after liberation. Also, by producing mass consumption goods, he put forth the method to stabilize and improve the people's lives, maintained a material basis in the light industry, and wisely led the struggle to increase the production of the mass consumption goods.

Our light industry today has entered into a great turning point where our industry has rapidly developed into a chuche-type, modern industry according to the extraordinary leadership and energetic guidance of the dear comrade leader who is brilliantly succeeding the great leader's revolutionary cause.

During the past 40 years under the wise leadership and utmost care of the great leader and the dear comrade leader, our design group was fostered into a strong group. This design group of ours was fostered into a strong design group which can proficiently take care of whatever difficult design tasks that are put forth in the light industrial sector.

On this significant day, I would like to give the greatest honor and warmest greetings filled with endless admiration and blazing loyalty of all the functionaries of the light industrial sector and designers to the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il. [applause] [end recording]

She continued to talk about the need to highly uphold the task put forth by the great leader in his New Year address and the party Central Committee's congratulatory message, and to bring about a new upsurge in the design work to actively contribute to accelerating the chucheization, modernization, and scientization of the light industry.

She emphasized that the movement to win the red flag of three revolutions and the movement to learn from the example of unsung heroes must be vigorously accelerated to standardize design so that the industrialization and modernization level in construction can be enhanced to a higher degree.

A resolution was adopted at the report meeting.

KCNA Reviews Pyongyang Press for 28 Jan*SK2801061992 Pyongyang KCNA in English
0434 GMT 28 Jan 92*

[Press review]

[Text] Pyongyang January 28 (KCNA)—Papers here today carry a photo-accompanied report that the great leader President Kim Il-song received a government delegation of the Republic of Cuba.

Papers report that the Cuban Government delegation presented a gift to the dear leader Comrade Kim Chong-il.

NODONG SINMUN informs the readers that the New Year address of President Kim Il-song was reported in foreign countries.

Printed in the daily is a New Year's message of greetings to President Kim Il-song of the Democratic People's Republic of Korea from Miguel Trovoada, president of the Democratic Republic of Sao Tome and Principe.

It devotes much space to an article recalling that President Kim Il-song in the period of the anti-Japanese revolutionary struggle embraced all people in his broad bosom, irrespective of idea, political view, religious belief and past career, if they had national conscience and spirit of patriotism, and led them along a path of worthy life.

Papers carry news that Comrade Kim Chong-il's works were reported in various countries.

Appearing in the press is a New Year's message of greetings sent to Comrade Kim Chong-il by Didier Ratsiraka, president of the Democratic Republic of Madagascar.

The press conveys words of foreign public figures highly praising Comrade Kim Chong-il as the genius of revolution and construction.

NODONG SINMUN carries a message to the Central Committee of the Workers' Party of Korea from the Central Committee of the Communist Party of South Africa supporting the Korean people's reunification cause.

The daily in an article declares that the Workers' Party of Korea is a veteran and virile party full of stamina and ardor.

Papers deal with economic achievements including the increased coal output at the Anju coal mining complex.

NODONG SINMUN reports that the chairman of the Central Committee of the Socialist Party of Cyprus met the Korean ambassador to Egypt and the chairman of the Danish Workers' Party, Common Cause met the Korean ambassador to his country.

A protocol of the 15th meeting of the Intergovernmental Economic and Scientific-Technological Consultative

Committee of the DPRK and Cuba was signed in Pyongyang, according to papers.

NODONG SINMUN carries gists of statements published by Nepalese parliamentarians and Norwegian solidarity organisations welcoming the "Agreement on Reconciliation, Nonaggression, Cooperation and Exchange Between the North and the South" and the "Joint Declaration on the Denuclearization of the Korean Peninsula".

Papers report in the South Korean news columns that families of reunification champions such as Rev. Mun Ik-hwan, coed Yim Su-kyong, former chairman of Chon-daehyop Im Chong-sok held a meeting and demanded the release of reunification figures.

A commentary of NODONG SINMUN hits at Choe Sae-chang, "defence minister" of South Korea, who showed up at puppet army units and incited confrontation and war.

The paper comes out with articles condemning the No Tae-u ruling group which has postponed the "election of chiefs of local autonomous bodies" for an indefinite period and is suppressing the people struggling for the reunification of the country.

Papers convey foreign public voices demanding the withdrawal of the U.S. forces from South Korea.

Commenting on the utterances of Gates, director of the U.S. Central Intelligence Agency, at the Senate Armed Services Committee, about the "nuclear development" of the DPRK, NODONG SINMUN brands this as a move to put the brake on the solution of nuclear problem which has been promoted with so much efforts on the Korean peninsula.

Comrade Jiang Zemin inspected Jiangsu Province, an international seminar on the Palestinian issue was held and the Argentine Government enacted a law banning the introduction of noxious substances, according to the press.

Papers observe the 139th birth anniversary of Jose Marti, a national hero of the Cuban people.

Carried in the press are articles exposing the immeasurable sufferings imposed by the Japanese imperialists upon the Korean people during their colonial rule.

The press rounds up voices at home and abroad laying bare Japan's wild ambition for the development of nuclear arms.

South Korea**No Tae-u Orders Military Negotiations With North***SK2801131392 Seoul YONHAP in English
0744 GMT 28 Jan 92*

[Text] Seoul, Jan. 28 (YONHAP)—President No Tae-u told Defense Minister Choe Sae-chang on Tuesday to try

and carry out military negotiations with North Korea with the eventual unification of the country in mind.

No's instruction came after the president received a report by Choe on the Ministry's policy goals for this year.

No said the country should build up a self-reliant defense posture for the future while developing security ties with the United States and other friendly countries.

The nation's military forces should strengthen solidarity in order to overcome the challenges of a transitory period and back up peaceful unification of the country, No said.

Moreover, the Ministry should try to foster the growth of the defense industry and the development of science and technology to secure a self-reliant defense capability, the president added.

Defense Ministry To Begin Disarmament Plans

SK2801101592 Seoul YONHAP in English 0521 GMT
28 Jan 92

[Text] Seoul, Jan. 27 (YONHAP)—The Defense Ministry, in a bid to lay the foundation for disarmament and reduction of tension between South and North Korea, will introduce a five-stage action plan by the end of this year.

With regard to the denuclearization of the Korean peninsula, the Ministry hopes, in principle, to set up a permanent inspecting body in each half of the divided peninsula. Initially, however, it wants to establish an on-site inspection system following what it called a pilot inspection.

Reporting on major policy goals for this year to President No Tae-u at the Ministry Tuesday morning, Defense Minister Choe Sae-chang said he would selectively strengthen the war-fighting potential of the armed forces, which is expected to be weakened, in part, by the disbanding of the Korean-U.S. Combined Forces Command.

Choe said the government would appoint a four-star general as commander of the ground component command as the United States is scheduled to transfer the command to South Korea before the end of the year.

The government will meet one-third of the cost incurred by the U.S. troops by 1995, assuming the cost of keeping U.S. troops in South Korea in 1993 is the same level as that of 1991, the minister said.

As for the U.S. military golf course in the Yongsan base, scheduled to return to Korea in June, Choe said his Ministry hoped to build a public park there by the end of the year.

Choe said the government did not plan to review an earlier agreement with the United States to suspend a withdrawal of any more U.S. troops from South Korea

unless and until North Korea abandons its nuclear weapons development program and resolves other nuclear-related issues.

Reports Continue on North-South Summit Talks

ROK 'Secretly' To Send Official

SK2801095592 Seoul HANGUK ILBO in Korean
28 Jan 92 p 1

[Text] It was learned on 27 January that the government is planning to secretly send a high-ranking government official to North Korea in the near future for advance negotiations on holding North-South summit talks between President No Tae-u and North Korean President Kim Il-song.

It was learned that North Korea requested the visit by a high-ranking government official. Not only that, the government decided to send a high-ranking official to North Korea after having examined this matter since early this year. North Korea has been showing an open and active attitude on this.

It was learned that the high-ranking government official and a minimum number of working-level officials will visit Pyongyang. They conduct advance negotiations with North Korean high-level authorities to settle opinions on when and how the summit talks will occur and on how the working-level talks will occur.

It was learned that through secret contacts by high-level officials beginning early last December, both the North side and South side agreed to negotiate on the date to hold working-level talks after watching developments in the situation around the Korean peninsula and in the U.S.-North Korean and Japanese-North Korean relations.

It was learned that in regard to this, in early December last year, a high-ranking North Korean official visited Seoul and held a secret meeting with our side's high-ranking official.

A well-informed government source said: "When President Kim Il-song met Kim U-Chung, chairman of Daewoo Group, he said that 'he hopes to hold North-South summit talks as early as possible,' and this signifies much. We know that through Chairman Kim, President Kim delivered to our side a more specific and positive message on the summit talks."

This source also said: "At the recent official contacts between the U.S. and North Korean authorities at the U.S. mission of the United Nations in New York, both sides were of the same opinion on the need to hold summit talks. This is because the United States, which has great interest in the Korean peninsula, gave some kind of political and diplomatic guarantee regarding the holding of summit talks. We can presume that due to recent changes around the Korean peninsula, all foreign barriers for holding summit talks have been dissolved."

This source emphasized that North-South contacts for summit talks will be held smoothly.

This source stated: "As long as there is no special change between the North and South, the schedule and method for the summit talks between President No and President Kim will be settled at the sixth round of North-South high-level talks, which will be held 18 February in Pyongyang. Also, it is forecast that summit talks may be realized even before March, at the earliest."

Another well-informed source said: "I know that there were some differences of opinion regarding the issue of economic cooperation during unofficial contacts. Unless this issue is resolved, the summit talks may be delayed."

However, this source said: "Through Chairman Kim, President Kim gave a very positive response on this matter. Therefore, it is highly possible that North Korea has changed its position to a positive one."

Vice Minister Sees 'Genuine Hope'

SK2801052992 Seoul KBS-1 Radio Network in Korean 0400 GMT 28 Jan 92

[Text] Vice Unification Minister Yim Tong-won said that since the North Korean situation has changed remarkably from last year, North Korea seems to truly want summit talks.

In a meeting with reporters today, Vice Minister Yim Tong-won said that President Kim Il-song's expression of the hope for early realization of the North-South summit talks during a meeting with Kim U-chung, chairman of Daewoo Group, is not merely talk but is believed to be an expression of the genuine hope for summit talks prompted by North Korea's difficult economic situation.

Vice Minister Yim Tong-won stressed that, concerning preparations for North-South summit talks, there is no need for using any other channel for dialogue than the high-level talks, which are ongoing at present, to officially discuss the issue of summit talks.

Vice Minister Yim Tong-won also noted that if North-South summit talks are realized, there will be talks between President No Tae-u and North Korean President Kim Il-song. Thus, he clearly stated that the South side's partner for North-South summit will be Kim Il-song.

No Tae-u Aide Plays Down 'Hoopla'

SK2801051692 Seoul YONHAP in English 0433 GMT 28 Jan 92

[Text] Seoul, Jan. 28 (YONHAP)—The governments of South and North Korea have not had direct and open talks on a summit, Kim Chong-hwi, chief presidential secretary for diplomacy and national security, said Tuesday.

Kim, apparently playing down the press hoopla over inter-Korean summit talks, said North Korean President Kim Il-song did not refer specifically to a summit but just agreed in principle to the idea in his meeting last week with Daewoo Group Chairman Kim U-chung.

"Accordingly, it is not the time to discuss the date, place or agenda of a summit. Nothing is under consideration," Kim said.

The government had sent neither an envoy nor a personal letter from President No Tae-u to North Korea, it had not set up a task force and had no plan to hold preliminary talks with North Korean officials to discuss a summit, he said.

The government would give a summit serious consideration only if it ascertained the true intention of North Korea, Kim said. This could be taken to mean that if North Korean Prime Minister Yon Hyong-muk formally proposes a summit at the inter-Korean high-level talks in Pyongyang in February, the government will push for it in earnest.

The government's basic position was that a Seoul-Pyongyang summit would contribute to bilateral exchanges and reunification of the Korean peninsula and No had made remarks to that effect several times, he said.

"I think it is more important to know the true intention of North Korea at this stage, because there have been no formal negotiations on this issue. We should never make haste as a summit cannot be achieved in a rush," he said.

At the second prime ministers' talks, in Pyongyang in October 1990, North Korea expressed a desire to hold a summit but it was the last official position of the North Korean Government. Since then, their intention was conveyed only through private citizens such as the Rev. Moon Sun-myung, the Rev. Kwon Ho-kyong and Kim U-chung, he said.

*** Former DPRK General Writes to Kim Il-song**

*** Background on 'Open Letter'**

WA1612030091

[Editorial Report] The Tashkent KORYO ILBO in Korean on 27 August 1991 published an "open letter to President Kim Il-song" by retired North Korean Major General Yin Song-chol. KORYO ILBO—formerly called LENIN KICHI—is a paper published for the large ethnic Korean population in Tashkent and elsewhere in the Soviet Union.

The "open letter" does not provide any background information on Yu Song-chol, except to note that he was "former commander of the Operations Bureau of the Korean People's Army." The 1, 2, and 3 November 1990 issues of the Seoul HANGUK ILBO in Korean published a number of articles devoted to North Korean developments, however, several of which provided details on

Yin Song-chol's importance in Kim Il-song's regime up to 1959 and his early ties to Kim. The paper noted that Yin fled North Korea to the USSR in 1959 to escape a purge by Kim Il-song, and was stripped of all military and party positions. Yin, who has lived in Tashkent since then, was born in the USSR in 1917, was fluent in both Korean and Russian, and was trained by the Red Army in military intelligence. As a second lieutenant, he was assigned to the Khabarovsk Far East Command to help collect intelligence on Japanese forces in Manchuria and Korea. In 1943, Yin met Kim Il-song and became personally acquainted with Kim and his family. At that time, Kim Il-song was a Red Army captain commanding the 1st Battalion of the 88th Independent Special Sniper Brigade located at Vadskoye, 80 kilometers northwest of Khabarovsk.

*** Letter Exposes Two Kims' Origins**

922C0049A Tashkent KORYO ILBO in Korean
27 Aug 91 p 2

[Open letter to President Kim Il-song by (retired) Major General Yu Song-chol, former operations commander of the Korean People's Army]

[Text] Do you remember? The village of Vadskoye! When I departed I felt melancholy, saying, "Farewell Vadskoye! If I ever have a chance, I will see you again!"

Fortunately, fate finally gave me that chance, 46 years later. I am writing to you because I wanted to share that joy with you. There have been many changes there. The place where the female prisoners used to be located is now white with multi-storied government buildings. And helicopters—something we never saw when we served there—make a pleasing sight as they fly about. In the river, passenger boats ply their way through the dark blue waves of the Amur River. The semi-underground houses where the troops used to live have all turned to dirt. The building where the brigade used to be located is still there. I also found the mess hall where we used to eat. But, I was unable to find the bin-style residence where you and your family used to live.

Our Vadskoye, so dear to our hearts, located beside the Amur River, was still the same as before, however. I rode the passenger boat and saw Vadskoye from the river, too. It was certainly the village of Vadskoye as it had always been. At that time, a large number of Nanai people lived there, but nowadays several nationalities are living there amicably.

You probably remember Lieutenant Pyolti, the Nanai platoon leader in the 2d company where I used to serve. He was exactly like one of our own nationality, was he not? He even spoke Korean and I really liked him. I tried to look him up when I was there, but could not find him. And I tried to find Choe Yong-kon's first wife, too, but was unsuccessful. When the family moved in 1937, she disguised herself as a Nanai and was brought from the Far East. She was tall and had shiny hair. Whenever we had guard duty, Choe Yong-kon instructed us not to let

her come in. So she never got in even once. The last time, she went away crying warm tears. Really, she was so pitiful then. At that time, Choe Yong-kon was already living with Wang Ok-hwan. They say that later on his first wife got married to someone named Ko.

Quite by chance I met an 86-year-old Russian fellow.

He was glad to see me and asked: "Did Captain Kim Il-song not come? I take it he is in good health."

—Do you still remember? Last year I went to Pyongyang, but was not able to see him [Kim Il-song] in person. I saw him on the television. A big lump has grown in back of his right ear.... And there are broad streaks of white in his hair and his eyes have lost their vitality and he looks very old," I replied.

—If you go to Pyongyang please send him regards from Vadskoye village. I have heard that he has visited the Soviet Union several times, but he never visited our village, so I feel a little sad about that. The old man smiled kindheartedly.

—Yes, I will be sure to send him regards, I promised him. As I promised, I am sending you regards from Vadskoye in this letter.

You visited the Soviet Union in 1984. The Soviet Army assumed the responsibility for your safety until they were withdrawn in 1948, but now they say the Secret Service Office troops have responsibility for your protection. They say that at that time [i.e. 1984], the Soviets felt sure you would visit Vadskoye, and they even paved the road with asphalt all the way to the village. This time I hired a taxi and it took me around one hour and 20 minutes to get to Vadskoye.

When we were in the army there were only a few trucks on the roads. That road today has become a highway. Even at that time, the area we served in was designated as a special district, and you could not even take pictures there. But now they say they have even filmed a documentary there.

And why not? Did they not carefully protect you for five years in that place? And is that all? I think it was more precious when Yura (Chong-il) was born there and took his first steps there. Comrade Chong-suk is no longer alive, but I remember even now the sight of Yura toddling around wearing your army hat. When it was winter there were lots of sledding games. Your body was weak and the company commander Senior Lieutenant Choe Yong-kon used to pull you with a rope tied around his waist. It is like I can still see it today. So that is why they put this place into a documentary film. If your health is bad and you cannot visit there, please see the documentary.

Chong-il is still young, is he not? I think it would be nice if he would visit his birthplace once.

I want to tell you more. The woman who was Choe Yong-kon's maid and who used to disseminate leaflets

back in 1937 is still alive—now an old woman of 86. Those were difficult days, were they not? How could someone who sent a person across the border first not even visit her once, even though she is so close by? She has suffered miserably. Listening to her story I cried. I will not write any more details about it. The reason is that I have promised to publish the memoirs of her life with Mr. Nam Pong-sik—he was chairman of the Broadcasting Committee in the republic for a long time—in the KORYO ILBO newspaper. The problem, I think, lies in a lack of humanity.

You are the one who has permitted the history of this period to be completely distorted, fabricated, and propagandized. Sometimes I suspect this is a criminal game being played by the people you trust. This is because people without conscience can allow lies, falsification, and fabrication. If this is the case, they should be punished. I do not know, what do you think of the false propaganda that the anti-Japanese guerrilla unit inflicted tremendous losses on the Japanese Army in the forests of Paektu and liberated North Korea? Or do you not read the mass media?

Was that not precisely the period when you were chased by the punitive expedition of the Japanese military clique and crossed the Soviet border and barely survived by serving in the Soviet Army?

To be precise, in 1940 you were chased by the Japanese Army and crossed the border by the skin of your teeth, is that not so? Have you already forgotten that at that time you were so weak you could not even walk and some old man—I do not remember his name—carried you across the border on his back?

Is that something to be ashamed of? Even the fact that the Chinese Red Army could not stand up against the strikes of the Japanese Army and made the 25,000 ri long march is a proud feat.

Is it so shameful that, in a period when you lost the guerrilla base and could not find food, and were unable to have contacts with the people, you crossed the Soviet border and were able to survive?

Everyone knows that Yura was born in Vadskiye village, not far from Khabarovsk in the Soviet Far East. So how do you explain to people the fact that you made Yura into the revolutionary of Paektusan and call one of the peaks of the Paektu forest Chong-il Peak, and you built a log cabin beneath it and call it the place where Chong-suk gave birth to Yura in 1942 and fixed it up so nice and furnished it inside with kitchen utensils you say Chong-suk used, and are busily propagandizing this to the people of the world?

When I went to Pyongyang last year, I went to Paektusan and saw that house. I saw Chong-il Peak, too. I sincerely confess I was ashamed. You can fool one or two persons or even the people. But you cannot fool history and

future generations. In the not-too-distant future "Chong-il Peak" will become the "Peak of Shame," of that I am certain.

I asked the guide, "How did they get up there on that high peak and carve those words?"

"It is not that. They carved the words into the rocks on the ground, then lifted them up onto the peak," he explained.

The guide approached Hwang Song-puk and said something to him and then went over to Yi Chun-paek and said something to him. Thereupon everyone followed the guide toward the main building. I followed them. Yi Chun-paek was looking through the comments written by visitors. Just then the guide came up and handed him a piece of paper on which some words had already been prepared, with an expression that said "you can write exactly what it says here." Sensing that they would also need an old soldier's comments, I went outside and sat in the minibus. But the guide was not satisfied until he came out to the minibus where I was sitting and got my signature. It is not hard to imagine that the comment I wrote did not express the feelings of the people. So, as it turned out, I committed a sin before history.

On the following day I visited the Musan Battle Site. There was your likeness soaring up into the heavens! At night there were lighting fixtures that showed your statue lit up as bright as day!

The young lady who was presenting the explanation had finished her talk. I had not heard her too well, so I went up to her and whispered into her ear:

"Comrade young lady! How many of our troops and how many of the enemy were there?"

"There were about 300 of the enemy. But because our troops were dispersed around Chonji (lake) on Paektusan, there are no comprehensive data," she answered.

"Okay. Over there, on that granite sign it says the Battle of Musan took place on 23 March 1939, but where did battles after that take place?" I asked again.

"Subsequent battles, perhaps took place in Manchuria," she replied.

—Right. Was that not 1939-1940, about the time you were pursued by the Japanese Army and crossed the Soviet-Manchurian border?

But how is it that Chong-suk came back again in 1942 to give birth to Yura halfway up the slopes of Paektusan?

Corroborating this, Han Si-hae, the deputy director of Compatriot Affairs who had come from the Party Central Committee, said:

"If you have a choice, it is better to say you were born in your fatherland rather than say you were born in another country, is it not?" So it seems that even the fabrication of history is regarded as patriotic in North Korea!

Something else that grated was this:

Did you know that the famous South Korean movie couple Choe Un-hui and Sin Sang-ok were caught in Chong-il's kidnap plot while they were participating in a movie festival in Hong Kong and ended up spending eight long years in North Korea?

Listening to a tape recording of a meeting with the couple in his office after their escape, it seems that North Korean performers had presented a show. Facing Chong-il, all the performers shouted "Long live the dear leader Comrade Kim Chong-il." Chong-il raised his right hand and greeted the performers and took Sin Sang-ok's hand with his left hand and raising it up high said in Sin Sang-ok's ear: "That is all phoney. It is a lie."

He said it while he was drunk, but I think it contains a certain truth. Indeed, it was clearly phoney and a lie. He is sticking his finger in his own eye. I am not a diplomat but a soldier. But should they not discard that kind of phoney, deceitful open door policy that is filled with chuche thought and come out before the world, before mankind, with frankness?

If we are talking about a genuine open door policy, the only moral open door is one where you tell the North Korean people the facts as they are, without lies—concerning the events taking place in the world, and the real situation in South Korea. When will the North Korean people be liberated from their state of semi-starvation, their state as semi-prisoners?

When I came from Pyongyang to Moscow, the flight attendant asked me if I would like to look at a magazine or read a newspaper, and I asked for a NODONG SINMUN. After reading four pages of that newspaper, I felt embarrassed. There before my eyes was the slogan, "Let us overthrow the No Tae-u clique, the fascist clique!" I think even you, Mr. President, know that you are slandering South Korea as a puppet, and yet South Korea is an independent and sovereign country that ranks among the 10 largest trading countries in the world. They do not have this kind of propaganda in South Korea. Is it not too disgraceful a style of propaganda? I think there is room for thought here.

This year, when President No Tae-u visited the Soviet Union he held a talk in a friendly atmosphere with Korean compatriots in the Soviet Union.

But even though you have visited the Soviet Union several times, you have never once had a friendly talk with us, with the Korean residents in the Soviet Union, have you?

If one calls a person who has a warm talk with his compatriots a fascist, what is it fitting that we call you, who are so heartless?

Finally, once again sending you regards from the village of Vadskoye and wishing you long life and health until the Korean peninsula is reunified, I lay down my pen.

In Tashkent.

North-South Trade Reportedly Violates GATT

SK2801130892 Seoul YONHAP in English
0735 GMT 28 Jan 92

[Text] Seoul, Jan. 28 (YONHAP)—South Korea needs to settle differences with the General Agreement on Tariffs and Trade (GATT) before increasing inter-Korean trade if it wants to avoid international friction, the Korea Trade Promotion Corp. (Kotra) said Tuesday.

While both Koreas see cross-border transactions as internal trade within a single country, the general consensus among GATT members is that they are two individual nations and that their trade is thus subject to GATT rules.

Seoul and Pyongyang laid the groundwork for an active business relationship with the signing of an agreement on reconciliation, nonaggression and exchanges and cooperation Dec. 13.

They buy and sell goods without customs or concessionary tariffs, and GATT members can claim that such non-tariff privileges are a violation of Article 1 of GATT provisions on most-favored nation (MFN) principles, Kotra officials said.

MFN principles oblige all GATT members to give the same privileges to all their trading partners. South Korea joined the 108-member global trade group in 1967.

"If we adhere strictly to GATT rules, other countries can demand that we apply the same tariff rates to them as we do to North Korea," a Kotra official said.

South Korea does not levy any tariffs on goods purchased from North Korea.

A U.S. Embassy official in charge of economic affairs took up the issue in a meeting with South Korean journalists late last month, saying that inter-Korean trade was subject to GATT regulations.

Seoul officials say the United States recently began linking South-North trade with GATT and that South Korea responded by saying it "understands" the situation and will work out the details.

"There has not as yet been any formal complaint or demand by the United States or any other country. The volume of inter-Korean trade has been small so far, small enough to escape focused attention, but when transactions do become active, they are certain to file complaints. Only one country may complain at first, but others will soon follow," the Kotra official said.

The Germans inserted a special clause when they joined GATT in 1951. It said that cross-border trade was a transaction within "a single unit" and therefore exempt from tariffs.

"About the only solution now is to have GATT apply the waiver clause in Article 25 on inter-Korean trade," the official said.

The waiver clause exempts a member from the MFN principles by recognizing special conditions not set down in GATT regulations. South Korea needs to make a formal application to GATT and win two-thirds of the members' votes.

"We have been talking to GATT officials about other ways of solving the problem, but the response has not been so favorable," the Kotra official said.

"The main task now is to convince other countries of Korea's extenuating circumstances, that South and North Korea are a single economic unit," he said.

Statistics Detail DPRK Trade Deficit

SK2701051892 Seoul YONHAP in English 0445 GMT 27 Jan 92

[Text] Seoul, Jan. 27 (YONHAP)—North Korea recorded a 726 million-U.S.-dollar trade deficit in 1990 and over half of its trade was with the Soviet Union, the Korea Trade Promotion Corp. (Kotra) said Monday.

A study of trade statistics from 59 countries showed imports at 2.642 billion dollars and exports at 1.916 billion dollars in 1990, with about 57 percent of North Korea's trade with the Soviet Union.

This compares with a 951 million-dollar deficit in 1989, when the communist country had imports of 2.56 billion dollars and exports of 1.609 billion dollars.

"We cannot set the exact numbers because a majority of North Korea's transactions were in rubles with countries like the former Soviet Union and Hungary, and the foreign exchange rate for the ruble was unstable," a Kotra official said. "But there is a general trend that points to a diminishing trade volume on the whole."

Kotra analysts said North Korea's trade activities failed to improve because of swift reforms among its major trade partners, in Russia and Eastern Europe.

In ruble-based trade, North Korea had exports of 1.037 billion dollars to Russia and imports of 1.516 billion dollars in 1990.

This accounted for approximately 57 percent of North Korea's entire trade volume, a 5.7-percent decrease in sales and 9.1-percent increase in imports, according to the Kotra study.

With its second-largest trade partner, China, North Korea managed a 233 million-dollar surplus—exports were tallied at 358 million dollars and imports at 124 million dollars.

Plans For North-South Exchanges Reported

Government To Form Trade Group

SK2801021592 Seoul YONHAP in English 0055 GMT 28 Jan 92

[Text] Seoul, Jan. 28 (YONHAP)—The government has decided to help form a private organization to coordinate inter-Korea trade and the establishment of joint ventures by South Korean companies in North Korea, government sources said Tuesday.

The proposed organization will be designed specifically to prevent excessive competition among South Korean companies and prevent duplicated investment in the same projects, the sources said.

The decision came following a visit to North Korea by Kim U-chung, chairman of the Daewoo Group. Kim is said to have agreed with North Korea to set up joint ventures in the North.

The South Korean Government believes that the North will be eager to promote economic cooperation with the South as it is faced with increasing difficulties in the wake of the collapse of communism and the Soviet Union, the sources said.

To make things worse for North Korea, its only remaining major ally, China, has asked North Korea to settle their trade in cash, rather than in commodities. For North Korea, which has limited foreign currency reserves, barter trade has been the only way to obtain needed supplies.

In order to promote economic cooperation with North Korea, the government plans to ask the Korea Trade Promotion Corporation (Kotra) and other economic organizations to form a single body which would help coordinate inter-Korea trade among South Korean companies and the establishment of joint ventures in the North.

Led by the president of Kotra, the Federation of Korean Industries, the Korea Foreign Trade Association and the Korea Chamber of Commerce, among others, will take part in the formation of the proposed organization, the sources said.

EPB Promotes Economic Exchanges

SK2501032092 Seoul YONHAP in English 0235 GMT 25 Jan 92

[Text] Seoul, Jan. 25 (YONHAP)—The government will vigorously promote economic exchanges with North Korea and work to exclude rice from market opening in the Uruguay Round trade talks this year.

To promote economic exchanges, it will write guidelines on volume, prices, currency of settlement and investment guarantees, and participate in North Korea's Tumen River development project, the Economic Planning Board (EPB) said Saturday.

EPB, in its directions for foreign economic policy this year, said the government will maintain its position that rice should be recognized as an exception to tariffication, and will try to get Korea treated as a developing country in the opening of the market for agricultural products other than rice.

At the U.N. Environment Program Conference in June, it will seek to ensure that international environmental controls are not a burden on the Korean economy.

The government plans to start the direct trading of materials between South and North Korea and carry out inter-Korean economic cooperation projects on a step-by-step basis, beginning with small projects, through the joint committee for economic exchange and cooperation, which is to be formed by May 19.

The committee is to be set up within three months of the inter-Korean Agreement on Reconciliation, Nonaggression, Exchanges and Cooperation taking effect on Feb. 19.

The government will coordinate private economic exchanges and cooperation projects with North Korea and positively support the North's plan to establish a free trade zone in Najin and Sunbong for development of the Tumen River on the border with China and Russia.

To prepare for settlement of the Uruguay Round talks and the implementation of the Trade Policy Review Mechanism (TPRM) by the General Agreement on Tariffs and Trade, the government will find a way to improve domestic trade.

To prepare for effectuation of the international environment agreement, it will speed up the development of replacements for freon.

The government will internationalize domestic trade to prevent conflicts with the United States and vigorously negotiate with Japan to correct the heavy trade imbalance in favor of Japan.

It will try to discourage the European Community from filing anti-dumping suits against Korean exports and sign agreements on investment guarantees and avoidance of double taxation with other governments.

The government will boost cooperation in science, technology and natural resources with members of the Commonwealth of Independent States, and establish a base for economic cooperation with Vietnam.

Heavy Industry Leader Plans Visit

*SK2801090292 Seoul YONHAP in English 0755 GMT
28 Jan 92*

[Text] Seoul, Jan. 28 (YONHAP)—An Chun-hak, president of the government-invested Korea Heavy Industry and Construction Co., said Tuesday he would visit North Korea in March to explore the possibility of inter-Korean cooperation in heavy industry.

If construction of factories in North Korea through joint ventures took off in the near future, electricity generation facilities would be in great demand, he noted.

An said that he would apply to the National Unification Board for permission to visit North Korea and follow all of the other procedures for visiting there legally.

"I am thinking about South-North Korean economic cooperation in which North Korea processes heavy industrial goods in the initial stage and my company does the secondary precision work on them," An said.

If An's visit to North Korea comes off, he will be the first president of a state-run company to make the trip.

Construction Joint Venture Sought

*SK2801030692 Seoul YONHAP in English 0145 GMT
28 Jan 92*

[Text] Seoul, Jan. 28 (YONHAP)—South Korea will seek a joint venture with North Korea to collect gravel from the Northern side of the Imjin River, which roughly borders the two Koreas, the Construction Ministry said Tuesday.

North Korea's proposal of the Taedong River, which runs through Pyongyang, was too uneconomical to accept, an official said.

The cost of transporting the gravel from the Taedong to Incheon would top 11,000 won (14 U.S. dollars) per cubic meter, which is the market price in Seoul.

The Ministry would work out a detailed proposal, offer it to North Korea and begin as soon as it won approval, he said.

Gravel has recently become scarce near Seoul with the near completion of the Han River development program.

Communications Network Planned

*SK2801132292 Seoul YONHAP in English 0747 GMT
28 Jan 92*

[Text] Seoul, Jan. 28 (YONHAP)—South Korea may offer to help North Korea modernize its communications facilities by providing it with manpower and equipment and establishing a relay network to swap broadcasts, the Communication Ministry said Tuesday in a report to President No Tae-u.

The Ministry reported that it would seek to establish a South-North Korean organization to coordinate and implement work related to exchanges of telephone calls and broadcasts.

As agreed in the prime ministers' talks in December last year, the Ministry will sign an agreement on communications exchanges and begin with feasible projects such as exchanges of telegraphic and telephonic communications between members of separated families.

To materialize a regular exchange of mail, the government will open a postal exchange office.

The Ministry will narrow the difference in cost between local and long-distance calls by June, after it holds public hearings.

Customs Office Plans for Exchanges

*SK2801030492 Seoul YONHAP in English 0147 GMT
28 Jan 92*

[Text] Seoul, Jan. 28 (YONHAP)—The Korea Customs Administration (KCA) said Tuesday it would undertake preparations for an expansion of inter-Korean personnel and commodity exchanges.

In a meeting of heads of customs offices presided by KCA chief Kim Ki-in, it was decided to streamline customs administration affairs as exchanges were likely to increase rapidly after the inter-Korean reconciliation agreement took effect on Feb. 19, a customs spokesman said.

Steps would be taken soon for inter-Korean personnel and commodity exchanges via Panmunjom and other overland points, customs control over roundabout exports and imports passing through North Korea and confirmation of the origin of North Korean commodities, he said.

It was also decided that KCA would work out how to introduce machines to read passports in 1993, reducing customs formalities for the convenience of international travelers, he said.

UN To Fund Environmental Projects

*SK2701053092 Seoul YONHAP in English
0450 GMT 27 Jan 92*

[Text] Seoul, Jan. 27 (YONHAP)—The United Nations Development (UNDP) program will set aside 5.2 million U.S. dollars for two environment projects by South and North Korea, China and Mongolia, the Foreign Ministry said Monday.

The allotment was decided at the UNDP aid coordinators meeting for Asia Jan. 20-24 in Manila. The projects cover air pollution control and renewable energy technology and are the first group undertakings in Northeast Asia.

The four participating countries agreed to establish an inter-governmental environment consultative organization, the ministry said. The area until now was the only region without such an organization.

The 5.2 million-dollar fund is divided into 3.7 million dollars for air pollution control and 1.5 million dollars for renewable energy technology.

Educational, Cultural Exchanges

*SK2701053492 Seoul YONHAP in English 0501 GMT
27 Jan 92*

[Text] Seoul, Jan. 27 (YONHAP)—The government reported to President No Tae-u on plans to give more autonomy to the universities colleges and improve relations with North Korea through exchanges of youth and historical documents Monday.

Education Minister Cho Wan-kyu told No that universities and colleges would be allowed to set their own student quotas for departments from 1997, but the government would retain control of total enrollment of each school.

Cho said the plan aimed to improve the autonomy and raise the competitiveness of Korea's institutions of higher learning, and the ban on student quotas would be lifted on a step-by-step basis.

The government would hold a meeting of education officials from South and North Korea to discuss establishing sisterhood between schools on both sides and exchanging teachers, Cho said.

Culture Minister Yi Su-Chong reported to No a plan to swap historical documents with North Korea and arrange exchange tours of historic sites to jointly study the cultural legacy of the two Koreas.

Yi said his ministry would publish an unabridged Korean dictionary after documenting differences in usage between South and North Korea.

Sports and Youth Minister Yi Chin-sam said the Korean contingent would do its best at the Barcelona Olympics to finish in the top 10 and his ministry would agree with North Korea on forming a unified Korean olympic team before March 15, the deadline for entry registration.

Unified Olympic Team Discussed

*SK2501012092 Seoul YONHAP in English
0104 GMT 25 Jan 92*

[Text] Bangkok, Jan. 25 (YONHAP)—North Korea wants talks with South Korea in mid-February to discuss plans to send a unified Korean team to the 1992 Olympics in Barcelona, Spain, a high-ranking North Korean sports official said Friday.

In an exclusive interview with YONHAP News Agency, Chang Ung, secretary-general of the North Korean National Olympic Committee, said his country wanted to take part in the Barcelona games as a single delegation with South Korea.

"I understand that South Korean officials of some sports events were opposing the formation of unified teams," claimed Chang, in the Thai capital to attend a meeting of secretaries-general from National Olympic Committees in Asia.

"But there was no reason for South and North Korea to hesitate to form a single team for the Olympics at a time when South and North were entering a new era of cooperation not only in sports but in politics as well as economy," he said.

Chang recalled that the Dec. 13 inter-Korean Agreement on Reconciliation, Non-aggression and Exchanges and Cooperation included the field of sports and said South and North sports officials should exercise a spirit of compromise and cooperation in order to form a single Korean team.

"North and South Korea will have to send a unified team to Barcelona as a symbolic action toward the unification of the country, even if we get a fewer medals by doing so," said Chang, who is also a vice chairman of the Olympic Council of Asia.

Regarding the 1995 Winter Olympics in North Korea [as received], Chang said all but skiing events would be held in Pyongyang. Skiing would be in Samchiyun, as originally planned, he said.

* Status of DPRK Women Politicians Examined

922C0072A Seoul TONG-A ILBO in Korean
21 Nov 91 p 5

[Article by Pak Che-kyun: "North Korea News: Women's Political Participation Not High"]

[Text] On 25 November a North Korean Women's Group arrives in Seoul. They are visiting Seoul to take part in the Seoul seminar on "Peace in Asia and the Role of Women" to be held from the 25th to the 30th. In this seminar, delegations of women's groups of North and South Korea and Japan will participate and focus discussions on problems of women in Asia.

In the case of North Korea, because women's groups are all in a single organization, the Korean Democratic Women's Union, all the North Korean representatives participating in this conference are under the Women's Union.

Yo Yon-ku, who is also vice chairman of the Supreme People's Assembly (SPA), is a vice chairman of the standing committee of the central committee of the Women's Union, and Chong Myong-chon and Kim Son-ok are members of its central committee.

Because of this situation, when we take the activities of women's groups aimed at women's political participation as an important yardstick, the activities of the Women's Union, North Korea's only women's group, is a meaningful ruler showing the degree of North Korean women's participation in politics.

The Women's Union has been carrying out brisk political activities since the early days of the establishment of the North Korean regime. In the periods of nation building, war, and reconstruction, the tractor that pulled North Korean women from the household into society

and made them perform social production activities was none other than the Women's Union. Thus, the Women's Union's membership, which was 600,000 in 1946, expanded dramatically to 2.7 million in 1971.

With the curtailment of the goals of the Women's Union—at the Fourth Congress of the Women's Union in 1971—from primary emphasis on social activities to the "womanly" goal of raising communist children and revolutionizing the household, however, there also came some negative points for the Women's Union organization itself.

The common analytical view holds that this sudden decline in the Women's Union resulted from the conflict between Kim Chong-il and Kim Song-ae, North Korean President Kim Il-song's wife, who has held the post of chairman of the Women's Union since 1971. The Women's Union, which was in decline, finally shrank to such an extent that in 1987 a North Korean foreign language publication *KOREA SURVEY*, published by North Korea for overseas propaganda purposes, revealed the membership of the Women's Union as 200,000.

The scale of the Women's Union, which once boasted a might of 2.7 million, had dropped in both political influence and size to less than one-tenth, squeezed out by the political demands of establishing the father-son succession.

Besides political participation through the Women's Union, another yardstick for assessing women's political participation is the progress of women in parliament, political parties, and the administration. In North Korea, the organizations corresponding to power organs are the SPA [Supreme People's Assembly], the WPK [Worker's Party of Korea], and the State Administration Council (SAC).

From the early part of the establishment of the regime to the present, the percentage of female deputies in the SPA has maintained a level of 9-21 percent. Female deputies to the Ninth SPA, which got under way last year, including the executive-level standing committee, reached 20.1 percent of the total membership of 702 deputies. North Korea propagandizes this large number of female deputies as being the "result of socialist male-female equality."

The large number of female deputies does not mean high political participation by women or political influence, however. The status of SPA deputies is only symbolic, because they actually have no function of overseeing or criticizing state administration.

The number of days the SPA is in session ranges from only 11 days to a maximum of 55 days, and the bills debated are few. Not only that, the deputies of the SPA are no more than "rubber stamps" to give unilateral support to decisions of the presidium and the executive-level deputies.

When we consider that the women active as members of the presidium or the standing committee through the entire history of the SPA number only seven, political participation of women through the SPA is rated as minuscule compared with the number of deputies.

The level of women's advancement into the actual power organs of the SAC and the central committee of the WKP is also on the low side. Of the 260 or so cabinet minister-level officials throughout the history of the SAC there were six women, who accounted for only 2 percent of the total. They were: Ho Chong-suk (minister of propaganda in the first cabinet and Minister of Justice in the second cabinet); Pak Chong-ae (Minister of Agriculture in the second cabinet); Pak Yong-sin (Minister of Culture in the third and fourth cabinets); Kim Pok-sin (Minister of Textile Industry in the 4th cabinet and vice premier in the 6th, 7th, 8th, and 9th cabinets); and Yun Ki-chong (Minister of Finance in the 6th, 7th, 8th, and 9th cabinets). Of these, Yun Ki-chong and Kim Pok-sin are currently ministers in the 9th SAC.

Also, the percentage of women in the party central committee has never exceeded 5 percent. Putting together all these facts, the judgment emerges that the level of female participation—in contrast with the North Korean authorities' propaganda—is not so high.

In this connection, Yon Mi-yang (33, female, civil servant) points out in her book, *North Korea's Policy Toward Women*, "As for the level of political participation of North Korean women, the North has a large number of women's groups making their typical noise, but it is behind South Korea, which is exerting efforts to elevate the political position of women."

Egyptian Diplomat Interviewed on Economic Ties
SK2601013892 Seoul THE KOREA HERALD
in English 26 Jan 92 pp 2, 11

[Interview with Egyptian Diplomat Muhammad Amin Cholkamy by staff reporter Kim Hye-won in Seoul on 25 January]

[Text] The first Egyptian diplomat residing in Seoul, Muhammad Amin Cholkamy, says the establishment of diplomatic relations between South Korea and Egypt is "a matter of time."

"I hope it will come soon. Both Korean Consul-General Pak Tong-sun and I are doing our best. We both are eager to be the first ambassadors in Korea and Egypt," said Cholkamy, head of the Egyptian Consulate-General in Seoul which opened last September.

In an interview with THE KOREA HERALD yesterday, Cholkamy said Egyptian President Husni Mubarak discussed the Egyptian position on the matter with former Korean Prime Minister Kang Yong-hun when he visited Cairo last year as a presidential envoy.

"I was told by the government when I left for Seoul last year that opening of the consulate-general is the beginning of the fruitful and strong relations between our two countries," said the career diplomat, who will turn 53 tomorrow.

The government of Cairo, he said, has maintained a policy of avoiding having representation in two separated countries "in order to help these countries to be unified."

Under this policy, Egypt sent an ambassador only to former East Germany until German unification though it had diplomatic relations with both East and West Germany.

He said Egypt and North Korea, moreover, have kept friendly relations since the 1950's when North Korea, along with China and the Soviet Union, helped Egypt rehabilitate itself after a war. Egypt, since then, has maintained an embassy in Pyongyang.

President Mubarak visited Pyongyang about two years ago and still keeps good ties with North Korean President Kim Il-song, the envoy said.

South Korea and Egypt, on the other hand, set up consular relations in 1961 but have not upgraded them. South Korea opened its consulate-general in Cairo in 1962 and Egypt, in 1991.

But in practical terms, Cholkamy said, Egypt and South Korea have kept very good relations. The two-way trade between the two countries surged to some \$300 million, about 20 times that between North Korea and Egypt, he noted.

He said these good relations in trade and economic fields would help Korea and Egypt upgrade their relationship in the near future.

Egyptian officials including Mubarak have also advised North Koreans to work to ease tensions on the Korean peninsula, according to the consul-general.

Egypt supported the two Koreas' U.N. membership last year, he said.

Cairo, a signatory of the Nuclear Nonproliferation Treaty (NPT), opposes the development and use of nuclear weapons. It also submits to inspections of the International Atomic Energy Agency (IAEA) regularly, he said.

Cholkamy said he believes that North Korea must have decided to give up its nuclear weapons program when it said it would accept IAEA inspections. He said advanced modern technology for nuclear detection would not allow North Korea to hide nuclear weapons once it undergoes international inspections.

The consul-general said Korea's reputation in Egypt owes a lot to Hyundai's compact sedan, the "Pony." Thousands of Pony sedans were imported to Cairo as

taxis during the 1980's and the cars, though small, proved their quality on the "bumpy" Egyptian roads at that time, he said. "Stellars" of Hyundai are also popular in Egypt.

Hyundai will soon begin assembling its cars in an Egyptian factory, which used to assemble Fiat cars, according to him.

Korea's Goldstar and Samsung also have factories in the country, where they manufacture electronic goods like video cassette recorders, television sets and audio systems.

"Egypt is not the market for the Egyptians alone. It also serves as a market for people of other Arab countries and African countries. Koreans also can sell their products produced in Egypt to these countries," Cholkamy said.

He said his country is also interested in attracting more Korean tourists. Korea and Egypt initialed an aviation treaty in 1979 but have not formally signed it.

Negotiations are under way between the two countries on the routes of their direct air services connecting the two capitals, which are likely to be settled soon, he said.

Egyptian tourism suffered a loss of some \$6 billion because of the Gulf war, according to him.

He said the Korean Government is providing \$15 million worth of goods to Egypt under its promise of financial support for the Gulf war and Gulf states last year.

Energy Minister Interviewed on Ties With Vietnam

*SK2501091292 Seoul CHUNGANG ILBO in Korean
24 Jan 92 p 6*

[Interview with Chin Nyom, minister of energy and resources, by Han Chong-pom—place and date not given]

[Text] Chin Nyom, minister of energy and resources, the first ROK economic minister to pay an official visit to Vietnam, returned home on the afternoon of 23 January. He emphasized that regardless of "past relations" between the ROK and Vietnam, our relations have developed so that both sides can help each other in many ways.

During his stay in Vietnam, Minister Chin exchanged a memorandum of understanding on economic cooperation between the two countries with Tran Lum, minister of heavy industry. He also gave a lecture to some 50 leading executives of the party secretariat, research institutes, and administration on our country's experiences in economic development.

[Han Chong-pom] What was your impression of Vietnam?

[Chin Nyom] Vietnam's history and religion is similar to ours. What is also similar to our country is that Vietnam

maintained its national pride even while suffering from major powers. In particular, Vietnam hopes to improve relations with us. Premier Vo Van Kiet emphasized: "The past is the past. Let us cooperate with each other well in the future." I was to talk with the premier for only about 30 minutes, but we exchanged talks on various issues, extending the meeting to 70 minutes. During the dinner, our country's song "Arirang" was performed. These events symbolically show the two countries' improvement in relations.

[Han] What is the possibility for economic cooperation between the two countries?

[Chin] Vietnam is a country with much potential. It has abundant underground resources, including oil and coal, and the people are diligent. Its population is 70 million. Its industry is lagging behind considerably, however. It wants to reduce the number of its military force, which is currently 1.2 million strong, but because there are no other jobs, its size cannot be reduced. This is why it wants our help.

[Han] What is the possibility for us to participate in the Big Bear oil development?

[Chin] We are doing our best to participate in this development. Japan's offensive is not a matter to be taken lightly, however. In late February, Japan's foreign minister is planning to visit Vietnam with a support plan. It is highly possible that because Vietnam's technical level is high, however, it will want to cooperate with us rather than with the large power, Japan.

[Han] What is your plan for strengthening relations between the two countries in the future?

[Chin] According to the contents of the memorandum of understanding, we will consult with the Korea Development Institute to educate Vietnamese technicians in our country. Vietnam plans to choose by late March at the earliest or by late April at the latest who will participate in the Big Bear oil development. In parallel with this, we will promote joint underground resources development by giving technical support in the exploration of underground resources.

Transportation Ministry Approves Flights to SRV

*SK2501013492 Seoul THE KOREA HERALD
in English 25 Jan 92 p 3*

[Text] Transportation Ministry has approved Korean Air's plan to fly a chartered flight from Seoul to Ho Chi Minh City Jan. 31.

The second South Korean chartered flight service to Vietnam this year, Korean Air officials said it will carry Vietnamese refugees in the United States making home visits on the occasion of Lunar New Year's Day.

Earlier this month, Asiana, the country's second carrier, flew a chartered plane to the Vietnamese capital, carrying a South Korean film team.

The two South Korean carriers are competing to win the potentially lucrative right to fly regular services between Seoul and Ho Chi Minh City.

South Korean's travel to Vietnam is still restricted because of lack of diplomatic relations between the two countries.

But if the two countries establish diplomatic relations and the travel restriction is lifted, many South Koreans are expected to rush to Vietnam on either business or sightseeing tours.

Among the potential South Korean tourists to Vietnam will be the thousands of people who fought in the Vietnam War in aid of the United States.

EC Commission Upholds Privileges for ROK

SK2501091692 Seoul YONHAP in English 0841 GMT 25 Jan 92

[Text] Seoul, Jan. 25 (YONHAP)—The Executive Commission of the European Community (EC) has rejected the European Parliament's bid to stop granting GSP (generalized system of preferences) favors to South Korea from early next year, the Korea Foreign Trade Association said Friday.

The Commission has insisted on giving GSP privileges to South Korea until 1993 in principle, according to the association.

The European Parliament recently adopted an amendment demanding that GSP privileges be revoked for South Korea at the end of this year and that South Korea should not be classified as a developing country any more.

Trade, Industry Ministry Reports on Trade Issues

Deficit With Communist States

SK2501024492 Seoul YONHAP in English 0135 GMT 25 Jan 92

[Text] Seoul, Jan. 25 (YONHAP)—South Korea's trade deficit with China was over 1 billion U.S. dollars last year, and its deficits with other current and former communist states expanded from 1990, the Trade and Industry Ministry said Saturday.

Korea's exports to China, former Soviet republics, Eastern Europe, Vietnam and Mongolia amounted to 3.26 billion dollars during the first 11 months of last year, up 36.2 percent from the same period of 1990, while imports from those countries grew 51.3 percent to 3.92 billion dollars.

Korea's deficit with those countries jumped four-fold to 660 million dollars for January-November, from 150 million dollars for the same period of 1990.

The trade deficit with China hit 983 million dollars, up 37.5 percent, with exports registered at 2.11 billion

dollars and imports at 3.12 billion dollars. The deficit is estimated to have gone over 1 billion dollars by year's end, the ministry said.

If only direct transactions are counted and indirect deals are excluded, the deficit with the so-called northern nations is estimated to have topped 2 billion dollars last year.

Exports to the Soviet Union increased a negligible 0.7 percent to 463 million dollars during January-November and imports jumped 58.7 percent to 529 million dollars, recording a deficit of 60 million dollars.

Korea had a surplus of 149 million dollars in trade with the Soviet Union in 1990.

Korea's surplus with Eastern Europe shrank as exports dropped and imports surged, although exports to Poland more than doubled to 274 million dollars.

Exports to the region decreased 6 million dollars to 503 million dollars during the first 11 months of last year, and imports expanded 39.3 percent to 248 million dollars.

The one exception was Vietnam. Exports to Vietnam grew 67 percent to 175 million dollars for the 11 months and imports increased 27.7 percent to 38 million dollars.

1991 Surplus With ASEAN

SK2801132492 Seoul YONHAP in English 0750 GMT 28 Jan 92

[Text] Seoul, Jan. 28 (YONHAP)—South Korea's trade surplus with six members of the ASEAN (the Association of Southeast Asian Nations) was 1 billion U.S. dollars last year, the Trade and Industry Ministry said Tuesday.

Exports to ASEAN were counted at 7.18 billion dollars, up 41.8 percent from 1990, and imports at 6.18 billion dollars, up 21.6 percent. South Korea had a deficit of 23 million dollars in 1990, led by purchases of raw materials.

Annual growth of ASEAN-bound exports averaged 37.2 percent in 1987-1990, compared with 32 percent and 28.5 percent, respectively, for shipments to Taiwan and Japan. In the first 10 months of last year, exports to ASEAN increased 42.4 percent, well above the 10.3 percent for Taiwan and 18.7 percent for Japan.

Exports to Malaysia, Singapore and Thailand swelled more than 40 percent each, compared with between 40 percent and 25 percent for shipments to Indonesia and the Philippines.

Export items of last year were electronics parts, machinery, petrochemical products, textile and leather products.

Electronics Exports Show Increase

SK2501064192 Seoul YONHAP in English 0553 GMT
25 Jan 92

[Text] Seoul, Jan. 25 (YONHAP)—Electric and electronics exports surpassed 20 billion U.S. dollars for the first time last year, growing 12.4 percent from 1990, the Trade and Industry Ministry said Saturday.

The 20.2 billion dollars of exports included semiconductors, up 25.2 percent at 5.68 billion dollars, home electric and electronic products, up 5.1 percent at 5.81 billion dollars, and electronic parts such as braun tubes, up 7.2 percent at 3.93 billion dollars, according to the ministry.

Korean products sold well in the developing countries of Southeast Asia, Central and South America, and in China, but exports to advanced nations were in a slump. Exports to Japan fell 19.4 percent to 1.82 billion dollars.

The ministry projected this year's electric and electronics exports at 2.3 billion dollars, up 14.9 percent.

Han Pong-su, the trade and industry minister, urged Korea's industries to do their best to achieve the goal when he met with officials of electric and electronic goods companies recently.

Investment Strategies

SK2501031192 Seoul YONHAP in English 0209 GMT
25 Jan 92

[Text] Seoul, Jan. 25 (YONHAP)—The Ministry of Trade and Industry, in an effort to cut imports of nonessential capital goods, plans to prevent the private sector from making excessive or duplicated investments.

In a report to President No Tae-u, the ministry said Saturday it plans to cut down imports of crude oil by launching a national campaign to save energy and allow construction projects only when building materials are available in domestic markets.

Moreover, the ministry will strengthen procedures on imports of materials for national health and environmental protection by requiring labels listing the nations of origin and import prices. It will also apply import restrictions flexibly and reform the methods of checking industrial damage.

In addition, the ministry will discourage new investment by the petrochemical industry which is currently experiencing excess supplies of raw materials such as synthetic compound while rendering monetary support for the mass production of 16 mega d-ram semiconductors.

Reports Continue on Parliamentary Elections

No Tae-u Bans Premature Campaigning

SK2501015092 Seoul THE KOREA HERALD
in English 25 Jan 92 p 2

[Text] President No Tae-u yesterday emphasized that law enforcement authorities should intensify efforts to prevent premature campaigning, particularly during the coming Lunar New Year holiday season, the presidential office said.

The nation will have four consecutive holidays around this year's Lunar New Year's Day, which falls Feb. 4.

"By cracking down on illegal electioneering, the government should show to the people that it is determined to secure fair election," No was quoted as saying during a weekly meeting with Prime Minister Chong Won-sik.

The president expressed concern that some parliamentary aspirants might attempt to woo voters by giving them money or gifts during the coming holiday, spokesman Kim Hak-chun said.

Parliamentary elections are expected for late March.

No also directed the prime minister to cope sternly with unlawful union activities, the spokesman said.

The president stressed the need for the government to step up efforts to secure an early conclusion of the yearly wage negotiations between labor and management.

In his weekly report to the president, the prime minister said the cabinet will do its best to determine all the possible facts regarding the Japanese Army's enlistment of Korean women as "comfort girls" during World War II, according to the spokesman.

After meeting the prime minister, No had lunch with 16 leading businessmen and thanked them for their decision to contribute 100 billion won (approximately \$130 million) for the expansion of facilities of science and engineering colleges throughout the country.

At the session, the president emphasized the need to more actively promote joint research and development of technology between universities and industries, the spokesman said.

No stressed that development of new industrial technologies is the key to reducing the nation's trade deficit. The nation suffered a deficit of about \$9.6 billion last year.

Pak Yong-hak, chairman of the Korea Foreign Trade Association, who was present at the session, told the president that he would do his best to reduce the deficit to about \$8 billion this year, the spokesman said.

Also among those on hand were the chairmen of some large business conglomerates, including Chong Se-yong of Hyundai, Ku Cha-kyong of Lucky-Goldstar and Chey Chong-hyon of Sunkyong.

Heads of 19 major universities, including Kim Chong-on of Seoul National University, also attended the luncheon.

DLP, DP Changes Viewed

SK2501020092 Seoul THE KOREA TIMES in English 25 Jan 92 p 2

[Text] The ruling party plans to drop 30 or so incumbent lawmakers from the list of nominees for the March parliamentary elections, while the opposition party excludes about 15, it was learned yesterday.

The reports are shaking the parties as the possible dropouts threaten to sever ties with their parties to run as independents.

The leaders of the parties try to persuade them but their efforts appeared to be abortive.

It was reported that the DLP [Democratic Liberal Party] has already sorted out about 200 nominees keeping candidates for 37 districts undecided. In the meantime, the DP [Democratic Party] has decided 80 percent of the candidates.

The rival parties will complete the selection of the candidates and announce the lists at the end of this month.

According to DLP sources, the possible dropouts include some 15 from Minjong faction, the largest one led by President No Tae-u, between 12 and 13 from Minju faction headed by executive chairman Kim Yong-sam and about seven from Konghwa faction led by co-chairman Kim Chong-pil.

The ruling party stands at the center of vortex of vilification, factional antagonism and threats to bolt from the party.

Rep. Kim Tong-chu elected from Yangsan, Kyongsangnamdo, yesterday left the ruling party to run as an independent. He is to lose the DLP ticket due to his involvement in a bribery scandal.

For the opening, the factions led by No and Kim Yong-sam are competing with each other. The Minjong faction supports a banker Na O-yon, while the Minju faction rallies support around Pak Pong-sik, former president of Seoul National University.

Rep. Ho Chae-hong, a loyalist to the executive chairman and elected from Nam-A, Pusan, is vexed at the report that the party leadership will tap former Rep. Yu Hong-su.

Ho threatens that he will commit suicide if the ticket goes to Yu.

Rep. Pak Chi-won from Osan-Hwasong, Kyonggi-to, has conveyed the message that he and the members of his local chapter will leave the ruling party en masse unless he is nominated.

On top of this, the leakage of the "secret" list of 26 applicants rocked the party as they are reportedly promised the tickets.

The secret list prodded lawmakers concerned to cry out against party leadership.

Meanwhile, the opposition party is in a serious situation of in-house feud as the outline of the nominees-to-be is revealed.

Those who are said to be dropped from nomination include Cho Hong-kyu, Chong Ung, Chong Sang-yong, Yi Chae-kun, Hong Ki-hun, Yi Don-man, Pak Hyung-o, Yi Sang-ok and Kim Pong-uk, it was reported.

It is said that the dropouts will join other parties now in the making or run as independents.

Nominations in General Elections Divide Parties

SK2801133192 Seoul YONHAP in English 0838 GMT 28 Jan 92

[Text] Seoul, Jan. 28 (YONHAP)—Battles for nomination in the March general elections continued to rage Tuesday, creating turmoil throughout the ruling and opposition camps.

The ruling Democratic Liberal Party's [DLP] 15-member nominating committee sat down for a second day of marathon talks to pick the party's candidates, with officials saying it was turning out to be a fierce battle among factions.

The committee has reportedly chosen candidates for 180 of the 237 constituencies and is working on the remaining areas.

President No Tae-u's faction says it is willing to drop incumbents in 10 or so constituencies, but DLP Co-Chairman Kim Chong-pil's group insists new faces are needed in at least 20 areas where incumbents are likely to lose, party sources said.

Executive Chairman Kim Yong-sam's faction is on the other side, demanding changes in only four or five constituencies, according to the sources.

The committee, which will remain locked in a hotel room until the official announcement of its selections on Saturday [1 February], plans to review the candidacies of National Assembly committee chairmen, including Rep. Chong Chang-hwa, chairman of the Agriculture, Forestry and Fisheries Committee, and Rep. O Han-ku, chairman of the Home Affairs Committee, the sources said.

The committee may end up proposing multiple candidates in more than 20 constituencies and let the DLP leadership make the final decision, they said.

In the main opposition Democratic Party (DP), followers of Co-Chairmen Kim Tae-chung and Yi Ki-taek are at loggerheads.

The nomination screening committee has reportedly selected chairmen for about 160 of the party's 237 district chapters who will eventually become party nominees in the general elections.

Intraparty factions are battling over 50 constituencies, including 14 in Seoul. Four of five incumbents are likely to be dropped, but discussions are going on without progress, DP sources said.

Decisions on unsettled constituencies will have to be made by the two co-chairmen before Saturday's announcement, they said.

Rep. Yi Chan-ku was dropped and announced in the morning he was leaving the party.

"I have finally confirmed that this party is not the place I should be," he said in his announcement, holding Kim Tae-chung directly responsible for vetoing his candidacy.

Reps. Son Chu-hang, Chong Wung, Kim Tok-su and Yi Ton-man, who are almost certain to be dumped, said they would leave the party simultaneously with the announcement of district chapter chairmen and run as independents.

Burma

Exiles Say Aung San Suu Kyi Still Party Leader

BK2801092492 Hong Kong AFP in English 0845 GMT 28 Jan 92

[Text] Bangkok, Jan 28 (AFP)—Exiled Burmese opposition politicians said Tuesday their detained leader Aung San Suu Kyi was still the real head of her National League for Democracy (NLD) despite being officially stripped of her post.

The politicians from the alliance which Nobel Peace Prize winner Aung San Suu Kyi co-founded, said in a statement issued here that she and former NLD chairman Tin U, who is in prison, were still the leaders of the league and their expulsion by the remnants of the party which remains in Rangoon was illegal.

The NLD politicians fled to border areas controlled by ethnic minority guerrillas after dozens of NLD members were arrested and detained by the military regime in the wake of the league's landslide election victory in May 1990.

The Rangoon junta has refused to hand over power to the NLD which won more than 80 percent of seats in the elections.

Burmese dissidents said in December that the leaders of the current official NLD in Rangoon were forced "at gun point" to expel their 46-year-old former general secretary.

Tin U was officially expelled from the party last week along with 10 other NLD members.

The junta put Aung San Suu Kyi and Tin U under house arrest in July 1989. Tin U was imprisoned later that year.

Amnesty International, the London based human rights group, said in a report last December that it had the names of at least 1,500 political prisoners in Burma who had been arrested as part of a campaign by the junta to "destroy" its opponents.

Khin Nyunt Addresses University Teachers

BK2801093392 Rangoon Radio Burma in Burmese 1330 GMT 27 Jan 92

[Speech by Major General Khin Nyunt, in his capacity as chairman of the Burma Education Committee and as secretary-1 of the State Law and Order Restoration Council, at opening ceremony of Special Refresher Course No. 1 for university and college teachers at the Central Institute of Public Service, Phaunggyi, Hlegu on the morning of 27 January—recorded]

[Excerpts] I extend my traditional Myanmar [Burmese] greetings of auspiciousness and joy to teachers and invited guests present at this opening ceremony of the Special Refresher Course for university and college teachers. Today—27 January 1992—is a special and

significant day in the history of education in Myanmar as it marks the beginning of a special refresher course for university and college teachers throughout Myanmar. [passage omitted]

The military government is relentlessly endeavoring to free the people from the physical and psychological misery they experienced in the past and to enable them to fully enjoy security for life and honor. It has now been over three and a half years that we have been serving the interests of the state and working for the emergence of a new constitution—which is indispensable for the nation—to ensure that the people can qualitatively arrive at a new democratic state to which they aspire. At this historic juncture we are still having to give guidance on all fronts to the people and public servants to ensure that they move along with the tide of history. Having saved the nation from the brink of disintegration just in the nick of time we proceeded to establish a peaceful and pleasant environment. In the process we confronted various kinds of opposition, defiance, and subversion. However, we believe that truth is the strength of the good people. No matter to what extent others are morally bankrupt, the Defense Services stand firmly by the truth and remain steadfastly loyal to the interests of the indigenous people and safeguard the foundation of the nation's unity.

It is natural for negative forces to deliriously attempt to undermine positive forces. Treasonous minions in the country as well as those who want to obtain state power by shortcut and their reactionary cohorts abroad are continuing to attack us through various means—armed struggle, rumors, and propaganda. [passage omitted]

Reviewing the events leading to the closure of the colleges and universities, we can see how they exploit one particular person in organizing their activities. We find that since 1990 some organizations abroad started conferring all kinds of awards and spreading news. In December 1991 they conferred the Nobel Prize on the follower they had raised and the external broadcasting stations—which are chock full of lies—exploited the event and instigated to create unrest. [passage omitted]

Upon reviewing the December student unrest, we find weaknesses among teachers in giving guidance and organizing their students and conclude that they were unable to take preemptive action. It was also found that when the problem emerged there was a shortcoming in management and an inability to control the situation. The teachers were unable to prevent the politicians, leftist and rightist saboteurs, and unscrupulous external organizations from using students and the campus area as a base for unrest. We also found shortcomings in their cooperation with responsible authorities in taking preemptive action. The time has now come to resolutely fight with patriotism and nationalism the allure of wicked external organizations. We must prevent external instigation and internal subversive activities while remaining committed to the three cardinal tasks—prevention of disintegration of the union, preservation

of national unity, and perpetuation of sovereignty. Not only must the teachers uphold and implement the three cardinal tasks, they must also give guidance and organize their pupils to ensure their good behavior.

We decided to hold this refresher course—which opens today—after realizing the need for such a course to instill patriotism among university and college teachers and to promote their commitment to the three cardinal tasks, the administration of students, and the enforcement of discipline. The course will stress man management, man control, discipline, leadership, morale [seven preceding words rendered in English]. Furthermore, subjects on oppression and servitude under imperialism and lives, blood, and sweat sacrificed in fighting the imperialist oppression and exploitation, the history of the national liberation movement, the history of the Defense Services, and patriotism will be taught to foster patriotism and union spirit. Furthermore, the emergence of the State Law and Order Restoration Council [SLORC], economic endeavors of the SLORC, laws and decrees issued by the SLORC, and other laws will be taught and discussed so that the teachers will be able to enlighten their students. A course on human relations is also included to enable the teachers to effectively give guidance to students.

Therefore, I urge the teachers undertaking this course to have a goal in their study and to help realize the objectives of this course. I also urge you to obtain a clear view and clean belief and conviction after the completion of the course and to apply these in guiding the students. [passage omitted]

In the future, genuine students and responsible teachers are to strive in unity to ensure and safeguard the peaceful pursuit of education. The SLORC, for its part, will strive to ensure the peaceful pursuit of education, not through words, but through deeds.

When the colleges and universities were closed for the first time, the SLORC did not lay down a policy, but stated that the reopening of colleges and universities would depend on three parties—the students, teachers, and parents. It should be noted here that the teachers were among the three parties who took responsibility. When the colleges and universities were closed down this time it was done according to the wishes of the teachers who were unable to control the situation. The schools will be reopened when the students, teachers, and parents can agree on it. When the schools reopen it will be necessary to make arrangements for students who wish to pursue their education peacefully to be able to do so on a long-term basis. The teachers play a major role in ensuring the long-term peaceful pursuit of education. [passage omitted]

The SLORC, which emerged because the nation required it, is meeting the needs of the nation. The SLORC's responsibilities and future programs have been announced to the world and they are being implemented. I would like to state here that the SLORC will remain

committed to these responsibilities and future programs no matter what kind of obstructions or difficulties it faces. [passage omitted]

The tug of war that is currently going on in Myanmar is between the patriotic forces who wish to remain as the nation of self mastery and those who wish to remain as slaves of foreign powers and domination. In other words, it is the patriotic forces who believe in the creative force of the strength of unity of indigenous people—internal strength—versus minions who are entranced by correspondence and conferring of honors from abroad and who look up to foreign powers. Therefore, I would like to urge you to give priority to the cherished cause of the nation, the union, and national culture. I would like to tell you all now that this is not the time to be wasting one's time on the narrow personality cult and interests of an organization while neglecting one's prime duty.

The SLORC will not tolerate the raising of followers by any major country, or any praise, threat, blackmail, or manipulation from any major country. I would also like to categorically state that the SLORC will never accept the leadership of a person under foreign influence who will dance to the tune of a foreign power and who has always opposed the Defense Services. [passage omitted]

All public servants and indigenous people should take note that a review of internal and external historical developments show that as the end of the 20th Century approaches the imperialists continue with their habit of brutally bullying the weak and interfering shamelessly in the internal affairs of other countries.

We need to be vigilant against the fact that imperialist circles using the cause of democracy and human rights are employing all kinds of tricks and devious means openly as well as secretly to ensure that their puppets obtain state power. Therefore, it will be necessary for the teachers as well as their charges—students—to resolutely oppose the imperialists. It is especially necessary to nurture and uphold patriotism and nationalism. Patriotic and nationalistic forces must reject, oppose, and remove imperialist lackeys who want to impose servitude according to the wishes of the imperialists and traitorous minions of imperialists. [passage omitted]

Please give guidance to students to instill patriotism in them. I would like to categorically state from here that the SLORC—the military government—which steadfastly strives to perpetuate the motherland, will never negotiate with the imperialists and their lackeys and minions and will never submit to them. The SLORC, which has never taken sides or given favor to any political party, will not be reluctant to take resolute action according to the law if any of the parties infringes upon the laws and regulations and tries to undermine national interests. The SLORC will work for peace and tranquility in the nation and for drafting the much needed new constitution. Once the constitution emerges, tasks that needed to be done will be carried out according to that constitution. [passage omitted]

In conclusion, I urge the teachers to regard their participation in today's course as discharging their historic duty toward the emergence of a peaceful, stable, and prosperous Union of Myanmar. [passage omitted]

Opposition To Effort To Unseat Government at UN

*BK2601041692 Bangkok THE NATION in English
26 Jan 92 p B2*

[Text] Having failed locally to make the military junta loosen its grip on power, Burmese dissidents are intensifying their international efforts with an ultimate objective of challenging the repressive regime's UN legitimacy.

A top Burmese dissident has said his parallel government would attempt to unseat the Burmese junta from the United Nations by contesting its legitimacy at the upcoming UN Human Rights forum in Geneva.

The move followed the recent five-month tour of dissident leaders to the West where several European and Scandinavian countries pledged political support for the pro-democracy movement in Burma, and for the National Coalition Government of the Union of Burma, a parallel administration, comprising a dozen Burmese representatives who were elected in the May 1990 general election, according to Peter Limbin.

In a recent interview, Limbin, the foreign minister of the parallel government, said he had just returned from an overseas tour which took him to France, Holland, Germany, Norway, Sweden, Britain and the United States where he and his Prime Minister Sein Win had held talks with officials from the ministries of foreign affairs, ruling and opposition politicians, and representatives from leading private agencies.

The Burmese delegation also showed up at the UN headquarters in New York where it gave several press conferences and met with some government officials during the UN General Assembly, he said.

But the most significant aspect of the trip was the Norwegian government's December announcement recognizing the national Coalition Government of the Union of Burma as a representative of the Burmese people, he added.

Limbin, an elected representative from Mandalay Division, said he planned to leave on another overseas mission to contest the legitimacy of the SLoRC, which emerged to rule the country after staging a bloody coup in September 1988.

The Burmese politician said he would participate, among other international forums, in the annual meeting next month in Geneva of the UN Human Rights Commission, which is to discuss the human rights situation in Burma.

In the past two years, Burmese dissidents and minority representatives had been given opportunities to present

their reports on human rights abuses at the UN commission in Geneva. Limbin said his government has already been asked to give a 10-minute speech on the human rights situation in Burma.

"We want to unseat the SLoRC from the United Nations. We want to prove that the SLoRC is not legitimate and it has lied to the world about the elections and the transfer of power (to elected government)," he said.

"The parallel government," he said, "was warmly welcomed during the tour and the international community started to throw its support behind us... we want the world to recognize and respond to the needs of the Burmese people who have been ruthlessly suppressed by the illegitimate (military) rulers," Limbin added.

He said he and his 12-member delegation, which included student representatives and ethnic minorities would leave soon for Geneva, and that he and his colleagues would repeat the same calls when the UN General Assembly reconvenes at the end of the year.

The SLoRC has denied Western allegations of widespread human rights abuses, but Burmese students, monks, civilians and politicians who fled the cities to border areas often related with personal accounts, sometimes backed by evidence, of SLoRC's harassment of them, their friends, and family members.

Speaking of his previous trip, Peter said while in Norway his team had participated in the handing over ceremony of the 1991 Nobel Peace Award, which went to detained Burmese opposition leader Aung San Suu Kyi. Moreover, Sein Win, himself a cousin of Suu Kyi, also held separate meetings with both Foreign Minister Thorvald Stoltenberg and Prime Minister Gro Harlem Brundtland, which marked the first time the parallel government had been received by leaders with ministerial status.

The parallel government, which was formed in December 1991 in the ethnic Karen-controlled jungle territory near the Thai border, comprises all elected politicians from Suu Kyi's National League for Democracy (NLD). Although the League swept to a landslide victory in the election, the SLoRC has refused to allow the NLD to form a government.

Limbin said the Norwegian government was concerned about the deteriorating political situation in Burma. As a show of support for the democratic movement, Norway decided to recognize the parallel government and to grant it two million crowns (US\$319,900), which would be channelled through non-governmental organizations, he said.

Oslo, however, maintained that this move did not mean that relations with the existing government in Rangoon had been terminated but it served as a signal that it supported democratic forces and recognized the parallel government as the representative of the people.

Fears of War With Bangladesh Allayed

BK2701125092 Hong Kong AFP in English 1212 GMT
27 Jan 92

[Text] Rangoon, Jan 27 (AFP)—The Burmese military leadership played down in a state-run newspaper Monday the possibility of a war with Bangladesh over the thousands of Muslims who have recently fled to Bangladesh from Burma.

The WORKING PEOPLE'S DAILY accused "malicious foreigners" of trying to foment trouble between the two countries and mislead the Islamic world over what was happening inside Burma.

"In view of the long-standing good relationship and cooperation there is scarcely any chance of security forces of the two countries meeting in conflict," the paper said.

The foreigners had spread lies in a bid to "sow doubts and suspicion between Bangladesh and Myanmar (Burma)" and to "bring blame on Myanmar at the United Nations and in the Islamic world," it said.

Trouble flared between Burma and Bangladesh after Burmese troops allegedly attacked a Bangladesh border post in December. Four people, including a Bangladesh soldier, were killed.

The paper said the incident could be resolved in meetings between the two governments, adding that it was not something that warranted an armed confrontation.

Burma's ruling junta has insisted that recent troop movements near the Bangladesh border were intended solely to put down Rohingya Muslim insurgents who are fighting Rangoon for autonomy.

It also claimed that the insurgents were using Bangladesh as a base, crossing over the border to launch attacks against the Burmese military.

"Fighting along the border will continue as long as there are insurgents who cross and re-cross the border carrying out their operations," the daily said, adding that the recent troop build-up became necessary after Karen guerrillas infiltrated the area to join with the Rohingya.

Reports from the Bangladesh capital of Dhaka say that between 25,000 and 60,000 Rohingya Muslims, many of them citing atrocities by Burmese security forces, have fled over the border.

The WORKING PEOPLE'S DAILY said the recent exodus from Burma consisted of illegal immigrants and criminals. It added that Burma would take back anyone who could prove their Burmese nationality.

Heavy Fighting Continues Near Thai Border

BK2801111992 Hong Kong AFP in English 1107 GMT
28 Jan 92

[Text] Bangkok, Jan 28 (AFP)—Continued heavy fighting near the Burmese-Thai border was reported by Thai military sources Tuesday as Rangoon attempted to overrun the Manerplaw headquarters of Karen insurgents.

Karen officials say that almost 18,000 Burmese troops are being used in the dry-season offensive against them.

Although casualty figures are difficult to verify, Thai military sources said that more than 80 Burmese soldiers have died in the recent fighting. The Karens describe their losses as minor, putting their casualties at 11 killed and 72 wounded.

The Karens allege that Burmese troops have burned down villages, launched air strikes against several villages and killed villagers in an attempt to capture the ethnic group's mountaintop headquarters.

"To escape these atrocities, over 3,000 civilians have abandoned their villages and sought temporary refuge in Thailand," a Karen official said.

Thai border officials said they were closely monitoring the situation.

Cambodia

Sihanouk Chairs SNC Meeting 26 January

Radio VGNUFC Reports Meeting

BK2801020792 (Clandestine) Voice of the Great
National Union Front of Cambodia in Cambodian
2330 GMT 27 Jan 92

[Text] A meeting of the Supreme National Council [SNC] was held on the morning of 26 January under the chairmanship of His Royal Highness Prince Norodom Sihanouk, head of state and chairman of the SNC.

On that occasion, Prince Norodom Ranariddh proposed that the four Cambodian parties make it clear whether they would be willing to implement the agreement comprehensively, particularly the point which says the SNC is the sole source of power in Cambodia.

Prince Norodom Ranariddh stressed that this point of the agreement is very clear and needs no further elaboration. The only question left is whether all Cambodian parties would abide by it or not.

The discussion then focused on a point of the agreement in which it was noted that the main cause was the late arrival of the UN Transitional Authority in Cambodia [UNTAC]. Finally, His Royal Highness Prince Norodom Sihanouk stressed that in such a case of the UNTAC's late arrival in Cambodia, all SNC members must show their sincerity in jointly arranging for the SNC to take

responsibility for the most urgent national defense work. The prince added that it was impossible for the SNC to remain so powerless to manage national affairs. This would only put the implementation of the agreement in jeopardy and cause insecurity to the Cambodian people, deprive them of their rights and freedoms, and bring difficulties to their daily living.

His Excellency [H.E.] Son Sann voiced full support for this remark by the prince. H.E. Son Sann also voiced his support for the remarks by His Royal Highness Prince Norodom Sihanouk, Prince Norodom Ranariddh, and H.E. Khieu Samphan on the need to bring up the UN documents and Paris agreement for a clear elaboration of the following points:

1. The SNC is the sole source of power in Cambodia.
2. The UNTAC must come to Cambodia as soon as possible. Otherwise, it would mean that it is lying to the others, to itself, and to the victimized Cambodian people.

'Full Text' of Communique Carried

*BK2701120192 Phnom Penh SPK in English
1100 GMT 27 Jan 92*

[Text] Phnom Penh SPK January 27—Following is the full text of the communique of the Supreme National Council [SNC] of Cambodia after its meeting held on January 26, 1992 in Phnom Penh:

1. On 26 January 1992 at 10.00 A.M., a meeting of the SNC was held under the very high chairmanship of H.R.H [His Royal Highness] Samdech Preah Norodom Sihanouk, head of state and president of the SNC, with the participation of H.E. [His Excellency] Mr. Yasushi Akashi, special representative of the [UN] secretary general, H.E. Mr. Ataul Karim, head of UNAMIC [UN Advance Military Mission in Cambodia] in the presence of the representatives of the permanent five and Indonesia.

2. H.R.H. Samdech Preah Norodom Sihanouk, on behalf of the SNC and the entire Cambodian people, graciously proposed that the current SNC headquarters be used as UNTAC [UN Transitional Authority in Cambodia] headquarters. In compensation, H.R.H. Samdech Preah Norodom Sihanouk made a request to H.E. Mr. Yasushi Akashi who accepted to provide free to the SNC prefabricated houses to be built in the compound of the Royal Palace.

3. The special representative of the UN secretary general expressed, on behalf of the UN and in his own name, their deep gratitude for this magnificent gesture of H.R.H. Samdech Preah Norodom Sihanouk and the SNC, and took it as a gesture of confidence of the SNC and the Cambodian people towards the United Nations and UNTAC in the implementation of the Paris agreement.

4. The special representative of the UN secretary general reported to H.R.H. Samdech Preah Norodom Sihanouk and the meeting on the efforts made by the UN and himself in order to obtain an urgent deployment of

UNTAC in Cambodia. He was also pleased to inform the meeting that UNAMIC has decided to set up in two weeks time a team of military liaison officers in Kompong Thom. Similar liaison arrangement of the Mixed Military Working Group at lower military command level will also be set up in Kompong Thom with the agreement of UNAMIC.

5. The special representative of the UN secretary general reiterated his appeal for the continued observance of the cease-fire. The SNC expressed once again its commitment to do so, and to prevent that recurrence of events similar to the one that happened recently in Kompong Thom will not occur.

The SNC also expressed its deep sorrow for the loss of lives in Kompong Thom and presented its sincere condolences to the bereaved families.

6. The special representative expressed his gratitude to H.R.H. Samdech Preah Norodom Sihanouk and the SNC for their cooperation and also reiterated his commitment (to do his best) to accelerate the deployment of UNTAC in Cambodia.

Khieu Samphan's Attitude Criticized

*BK2801050792 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 1300 GMT
27 Jan 92*

[Station commentary: "Mr. Khieu Samphan's True Colors"]

[Text] It is well remembered that right after the birth of the Supreme National Council [SNC], the Party of Democratic Kampuchea [PDK], with Messrs. Khieu Samphan and Son Sen as its representatives in the SNC, immediately and actively launched an armed offensive to dismantle village and commune administrations of the State of Cambodia [SOC]'s side and set up in its place the so-called village and commune national councils, which are made up of murderers whose hands are stained with the people's blood.

This act runs totally counter to the nature of the SNC and shows contempt for the prestige of His Royal Highness Prince Norodom Sihanouk, SNC chairman.

In fact, Messrs. Khieu Samphan and Son Sen, who also attended the Paris International Conference on Cambodia [PICC], know well that Article 3 of the peace agreement clearly defines that the SNC is the legitimate organization and sole source of power representing Cambodia's sovereignty, independence, and national unity during the transitional period. Article 5 of the agreement emphasizes that during the transitional period the SNC shall represent Cambodia in the international arena and occupy Cambodia's seat at the United Nations, all UN special organizations, and in all other international institutes and forums.

The content of the two articles clearly reflects the fact that the SNC is not a government and does not have a

governmental system from the top to bottom levels. Why then has Mr. Khieu Samphan's group kept pretending not to know about this and continued all kinds of violations?

Realizing this fact, at the first phase of the third SNC meeting held at the Khemarin Palace on 26 January under the lofty chairmanship of His Royal Highness Prince Norodom Sihanouk, the SNC members from the SOC side proposed that all Cambodian parties stop using military force to attack and dismantle the local administrations and set up village and commune national councils to replace them.

His Royal Highness Prince Norodom Sihanouk termed the establishment of village, commune, provincial, and city national councils as illegal, running counter to the 23 October 1991 Paris agreement. The prince asked all Cambodian factions not to use the SNC flag [words indistinct] and to respect each other's territory by keeping the status quo, as in the period before 24 June 1991 when all sides agreed on a voluntary cease-fire.

All other SNC members, except Mr. Khieu Samphan, voiced their 100-percent agreement with this appeal of His Royal Highness Prince Norodom Sihanouk. Mr. Khieu Samphan, however, showed his hesitation regarding this matter and objected to the inclusion of this agreement in the communique of the meeting.

We would like to ask: Why has Mr. Khieu Samphan behaved this way?

It is not surprising that lately in order to implement its iron-oxide tactic, the Pol Pot clique has used the tactic of catching fish in two hands—that is, on the one hand, by ordering Messrs. Khieu Samphan and Son Sen to ostensibly soften their attitude at times so their group will be legalized and can advance toward getting even a small number of seats in the future constituent assembly and, on the other, carrying out their tactics of the so-called two-destroys and four-builds, three-don'ts, and three-dos by dismantling the people's administrative powers and replacing them with their own agents. Thus Mr. Khieu Samphan could neither raise any objection during the meeting nor agree to sign the joint communique for it would run counter to whatever his group was undertaking and would undertake in the future.

Therefore, our people clearly see that this is the true nature of Mr. Khieu Samphan, who is not sincere about implementing the peace agreement.

Next Meeting in April in Beijing

OW2701155192 Tokyo KYODO in English 1520 GMT
27 Jan 92

[Text] Battambang, Cambodia, Jan. 27 KYODO—Prince Norodom Sihanouk, chairman of Cambodia's Supreme National Council (SNC), said Monday the provisional ruling body will meet in Beijing in April to discuss national reconstruction.

Sihanouk made the comment while accompanying Yasushi Akashi, chief of the United Nations Transitional Authority in Cambodia, to northwestern Cambodia.

Akashi is visiting Cambodia to help prepare for implementation of the October 1991 Paris Agreement ending the country's 13-year war.

The prince said his two-month trip to China and North Korea beginning late next month will include an SNC meeting of former warring factions in the Chinese capital in mid-April.

Following his visit to Beijing, Sihanouk will stop in North Korea to celebrate the 80th birthday of North Korean President Kim Il-song.

Sihanouk Asks for Two-Month Absence

BK2801053992 Phnom Penh SPK in French 0430 GMT
28 Jan 92

["Full text" of Prince Norodom Sihanouk's 26 January message to his compatriots]

[Text] Phnom Penh 28 Jan (SPK)—Beloved compatriots: I am honored to inform you of the following:

First, in March 1992, I will have to undergo a general medical check-up and various medical treatments at the Beijing State Hospital (PRC). I will leave Phnom Penh (by a special plane of the PRC) for Beijing (China) by the end of February 1992.

Second, in April 1992, I will have to head a delegation of the Supreme National Council for an official visit to the PRC.

After that, I will have to go to Pyongyang (Democratic People's Republic of Korea) to pay respect to and congratulate His Excellency Marshal Kim Il-song, president of the DPRK, on the occasion of his 80th birthday.

Third, I therefore request your permission to be absent for two months from our beloved and venerated motherland, Cambodia.

I will be back in Phnom Penh to continue to serve our beloved Cambodia and Cambodian people in May 1992.

I wish all of you the best of health, long life, and happiness, and assure you of my undying loyalty and most profound affection.

Sihanouk Calls for UN Post-Election Presence

BK2701114392 Hong Kong AFP in English 1115 GMT
27 Jan 92

[By Sheri Prasso]

[Text] Battambang, Cambodia, Jan 27 (AFP)—Prince Norodom Sihanouk warned again Monday of an

unstable post-election government and asked the U.N. peacekeeping forces to stay on well after running the polls.

Traveling to this northwest province with Cambodian People's Party President Chea Sim, the prince warned of violence after the elections if the U.N. forces pull out right away.

"We need the United Nations to prevent this or that Cambodian faction from returning to having clashes," he told reporters. "There is a true danger after the elections that perhaps parties which would be losers in the elections could decide to use their guns against their rivals to exact revenge or try to retake power. I don't know."

Yasushi Akashi, the head of the United Nations Transitional Authority in Cambodia (UNTAC), who ended a six-day familiarization tour of Cambodia, said some U.N. presence would be likely.

UNTAC's mission to keep the peace here until elections can be held in April 1993 ends three months after the polls.

"It is up to the U.N. Security Council and General Assembly to decide what other kind of U.N. presence is necessary... (but) some other type of presence is a possibility," Akashi said before leaving for Bangkok.

He said the first priority was to get UNTAC deployed as soon as possible and to collect the funds from donor countries to get the mission on the ground.

The United Nations currently has a small advance mission preparing the way for UNTAC, which is supposed to be at least partially deployed by April.

Prince Sihanouk and Chea Sim visited a reception center for Cambodian refugees which is under construction and met the U.N. cease-fire observer troops stationed in the provincial capital. They were to address 200,000 people at a late-afternoon rally in what amounted to an election campaign rally in the Phnom Penh-controlled bastion close to Khmer Rouge-held territory.

Battambang has been the scene of intense fighting in the 13-year civil war that ended with a peace treaty and Prince Sihanouk's return from exile in November.

"We have been separated for 21 years. We will not be separated again," the prince said to hundreds of people who crowded into the repatriation center to see him.

Prince Sihanouk asked the people of Battambang to accept the returning refugees with open minds. Most of the 370,000 people due to return from Thai border camps have asked to be resettled in Battambang Province.

He called Chea Sim "my younger brother," whereas previously he had called Prime Minister Hun Sen "one of my sons."

The tens of thousands of people who lined his route shouted enthusiastically as he passed.

In a communique, the prince said he would leave to Beijing for a medical checkup near the end of February and continue on to Pyongyang to attend the 80th birthday celebration of North Korean leader Kim Il-sung. He said he would be gone until April, although the Supreme National Council (SNC) would accompany him to China for a meeting there. Diplomats and other foreign observers said they did not know how the SNC would carry on its work in Prince Sihanouk's absence. The prince had previously said he would leave for one to three weeks in both March and April, but Monday's communique was the first sign he would be gone for two full months.

Hor Namhong Remarks on Khmer Rouge Reported

*BK2701133592 Phnom Penh SPK in English
1107 GMT 27 Jan 92*

[Text] Phnom Penh SPK January 27—The Khmer Rouge have refused to sign a communique agreeing to stop fighting and abandon attempts to set up local versions of Cambodia's Supreme National Council (SNC), Foreign Minister Hor Namhong charged Monday.

Hor Namhong, who is also a member of the SNC, said the faction had agreed to the points at a meeting Sunday, but later refused to sign a communique outlining what was agreed.

"This is threatening the implementation of the Paris peace agreement ending the 13-year civil war that was signed last year", he said.

"During past SNC meetings, the Khmer Rouge have said the war in Cambodia has not stopped and this is also a threat to the Paris peace accord," Hor Namhong said.

Hor Namhong said Prince Norodom Sihanouk, acting as the neutral chairman of the SNC, declared that there will be no SNC groups at the provincial level and there will be no more fighting to extend territory.

"This was unanimously agreed by all SNC members" he said. "But at the end, the Khmer Rouge refused to let out this communique."

[Hong Kong AFP in English at 1148 GMT on 27 January in a similar report adds: "Hor Namhong also said the Khmer Rouge had asked that the United Nations verify the withdrawal of Vietnamese troops in order for the faction to cooperate with carrying out the rest of the peace plan."]

Hor Namhong Interviewed on Regional Situation

*BK2501134192 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 1300 GMT
24 Jan 92*

[Interview with Hor Namhong by a group of 11 Scandinavian journalists; date not given—read by announcer]

[Text] [Journalists] Last month, it was reported that an alliance between the National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia [FUNCINPEC] and the Cambodian People's Party [CPP] was established and then, later, the relationship was severed. According to Prince Ranariddh, this was caused by pressure from China. So in your opinion, to what degree has China interfered in Cambodia's internal affairs?

[Hor Namhong] First of all, I wish to make the following clarifications:

FUNCINPEC and CPP have signed an alliance, which still remains in effect. However, what has not been done is that the Phnom Penh government has not planned to enlarge the participation of the FUNCINPEC side. This is the reason why Prince Ranariddh in Bangkok said that there was pressure from China preventing him from joining our government. This is Prince Ranariddh's remark. In our opinion, all countries—especially countries which are participants of the Paris conference, including China—should respect Cambodia's sovereignty and independence. I wish to make clear that the agreement between FUNCINPEC and CPP, like the plan to expand the size of the Phnom Penh government, does not contradict the Paris accord in the least. However, this will instead help facilitate the implementation [of the accord].

[Journalists] Cambodia's former allies are the Soviet Union, Vietnam, and Eastern European countries. What influence do those countries still have on the Cambodian people?

[Hor Namhong] It is true that our country had close relations with the Soviet Union and Vietnam. They especially assisted us in fighting and toppling the genocidal Pol Pot regime and then continued to help us over the past nearly 13 years. Those countries at all times respected Cambodia's sovereignty and independence. So after the signing of the Paris accord, any previously-signed agreement that contradicts the Paris accord and neutrality [of Cambodia] will be discussed and scrapped.

[Journalists] Have you cooperated with Thailand in stopping the supply of foreign aid to the opposition, especially the Khmer Rouge?

[Hor Namhong] First and foremost, it is the duty of the Cambodian parties to put a halt to receiving foreign military aid. Then all the countries which attended the Paris conference are duty-bound to stop providing aid to the Cambodian parties. Moreover, the current mandate of the UN Advance Mission in Cambodia [UNAMIC] is

to monitor the (?voluntary) cease-fire and what is currently done. This being the case, we do not need to hold any discussion with the Thai Government. It is the common duty of Thailand, the Cambodian parties, and the UNAMIC.

[Journalists] China, Thailand, and Singapore have urged a great number of private companies to do business in Cambodia. Have you had any worry that they will turn Cambodia into a colony?

[Hor Namhong] I am of the opinion that our economic liberalization policy, aimed at transforming our economy into a free market economy, is in agreement with Cambodia's interest. However, I admit that, as we lack (?preliminary experiences), we will probably not get as full a benefit in economic relations as we desire. Anyway, we continue to gain experience in these things. Nonetheless, the economic liberalization aimed at transforming the economy into market economy will in no way put our country under the colonization of any country.

[Journalists] Cambodia is now an economic partner of the ASEAN states. Can the partnership be considered a preliminary step for Cambodia to become an ASEAN member?

[Hor Namhong] I think that Cambodia as well as Vietnam, Laos, and Burma is part of Southeast Asia and that now grouping into economic zones is a prevailing world trend. For instance, the EEC has increasingly expanded; the United States, Canada, and Mexico are currently establishing a common market; and the South Asian Association is composed of India, Bangladesh, Pakistan, and Sri Lanka. So in the future I think that in order to protect the Southeast Asian people's interests, all countries should be liberalized and transformed into an association. I believe that after a new government is elected, Cambodia should consider the issue of joining the ASEAN. This is for the development of Cambodia and the common interests of Southeast Asia.

[Journalists] Who is the head of Cambodia's diplomacy at the present time?

[Hor Namhong] I believe that, according to the Paris accord, the SNC should represent Cambodian sovereignty and Cambodia both abroad and in various international conferences. However, with the SNC headquartered in Phnom Penh and Samdech Norodom Sihanouk as the head of state and chairman of the SNC, close coordination between the samdech and the existing government is needed.

[Journalists] The Khmer Rouge, in a neutral environment, have always put out propaganda against the reality. So what do think of the Khmer Rouge publicity?

[Hor Namhong] We have already mentioned the Khmer Rouge's violations at previous SNC meetings. And at the SNC meeting scheduled for 26 [January], we will again present the issue because now armed elements have

burned down houses and markets and abducted the people, but no party claims responsible for the actions—they will never admit this. That being the case, we have the right to resort to employing armed forces and all possible means to crack down on those activities which amount to mere acts of banditry. This is to protect ourselves from being accused of committing truce violations. As no faction recognizes the violations or armed robberies, we should enforce repressive measures to safeguard security and tranquility in the society.

[Journalists] The Khmer Rouge have repeated that hundreds of thousands of Vietnamese are currently staying in Cambodia. What do you think about this?

[Hor Namhong] At SNC meetings in the past, I have already clarified this issue. And at the 26 [January] SNC meeting, the issue will be raised again. I will then give the following answer: We respect the Paris accord 100 percent [words indistinct]. [Words indistinct] so the UNAMIC and the UNTAC [UN Transitional Authority in Cambodia] are duty-bound to carry out the task. As for the Phnom Penh government, it has never been aware of the whereabouts of any remaining Vietnamese forces. So I asked the Khmer Rouge to show us and the UNAMIC the places where the Vietnamese forces are stationed—we want to know about them. Moreover, we asked the Khmer Rouge to arrange an on-site inspection for the UNAMIC. As the UNTAC is still not present in Cambodia, I have proposed that the UNAMIC carry out the verification.

[Journalists] Later, Pol Pot will contest elections, meaning he will participate in [words indistinct]. If he is elected, what will his long-term strategy be?

[Hor Namhong] The Paris accord is not 100 percent good. The accord legitimizes the Khmer Rouge in the SNC. The Khmer Rouge will be legally recognized in the National Assembly [words indistinct]. In the future after the elections, his [Pol Pot] presence will be legal in Phnom Penh, thanks to his political party. This being so, the accord [words indistinct] we should be carefull. However, as I have already said, we have no other way to get rid of the Khmer Rouge; the signing of the accord does not mean ending the danger of the Khmer Rouge because the Khmer Rouge, according to their strategy, will not act in the near future. They do not hope that they will win in the next elections, but they expect that their presence will be legal for a long-term goal. Therefore, whether the Khmer Rouge will return to power depends on a new government and its policy.

The Khmer Rouge expect that the gap between the countryside and the cities will become wider and wider. They will [words indistinct] the rural people. So the new government should be aware of this matter. I think that because 80-90 percent of the Cambodian people living in rural areas are farmers, our government's future policy should be aimed at improving the living conditions of the people in the countryside, modernizing our agricultural system, and preventing the living standards of

farmers from being very different from those in cities. This is the way to keep Khmer Rouge activities in check.

[Journalists] Can the presence of some Khmer Rouge elements in the National Assembly prevent the Khmer Rouge from being tried nationally or internationally?

[Hor Namhong] I don't think so. The presence of the Khmer Rouge is insignificant in Cambodia. If a new government decides to send the Khmer Rouge to trial, we are able to do so. I always believe that [words indistinct] and Samdech Sihanouk has said on many occasions that he agrees with the trial for the sake of history [words indistinct] as this is legal matter and the respect of the UN treaty on genocide.

[Journalists] A famous proverb says Cambodia [words indistinct] of Vietnam and Thailand. What is your opinion about this issue?

[Hor Namhong] We should continue good relations with the countries bordering us. We [words indistinct] in trade and economic sectors for development. I believe that at the end of this 20th century, no country can occupy another country with armed force. The current competition is only in the economic field.

[Journalists] India is said to be a neighbor and a trade partner of the Soviet Union. However, you have had trade relations with India. Can you make the relations successful?

[Hor Namhong] We should not forget that in 1979 when we fought and toppled the genocidal regime to liberate the Cambodian people, we were condemned with an economic embargo. It was in this situation that we strove to prevent the Khmer Rouge from returning to power. We spent a great number of troops to bar the Khmer Rouge from regaining power while trying to improve the people's living conditions because after the Pol Pot regime, everything was destroyed and the people suffered great hardship. However, we were helped by friendly countries, including the Soviet Union and other countries. So we should feel grateful to them for their good deeds and assistance. We should not forget their generosity.

[Journalists] Denmark has had no involvement with Cambodia at all so far. What do you think about the Danish aid to Cambodia?

[Hor Namhong] We will receive the Danish ambassador to the SNC soon. As we already know, during the transitional period we need aid to restore Cambodia, and even after the elections we will still need aid for the development of the country. Therefore, I wish to appeal to the international community to [words indistinct] help develop Cambodia. So far, a number of countries have pledged to provide restoration aid. We would like to thank those countries in anticipation.

More Reportage on Visit of UNTAC Head Akashi

Need for UNTAC Forces Viewed

BK2801031992 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 27 Jan 92

[Text] On the morning of 26 January after a meeting among its members, the Supreme National Council [SNC] held a meeting with His Excellency [H.E.] Akashi, special envoy of the UN secretary general and head of the UN Advance Mission in Cambodia [UNAMIC], and representatives of the five permanent member countries and Indonesia.

On that occasion, H.E. Son Sann informed H.E. Akashi, special envoy of the UN secretary general, and the forum of the situation that has led to the cease-fire violations, saying it is because of the late arrival of the UN Transitional Authority in Cambodia [UNTAC]. He added that the cease-fire violations are not occurring because of the Cambodians, but because foreign forces are still in Cambodia. Therefore, it is necessary for the UNTAC to come to Cambodia as soon as possible.

This remark by H.E. Son Sann is in accord with the opinions of the three resistance forces' representatives in the SNC who had already informed H.E. Akashi about this on the evening of 23 January.

Sees April Deployment as 'Difficult'

BK2701032692 Hong Kong AFP in English 0303 GMT 27 Jan 92

[Text] Phnom Penh, Jan 27 (AFP)—United Nations Transitional Authority in Cambodia (UNTAC) chief Yasushi Akashi said before leaving Monday for Battambang Province that deploying UNTAC by April would be difficult.

Akashi travelled with Prince Norodom Sihanouk and members of the Supreme National Council (SNC) to the northwest province to tour a refugee repatriation sight [and] a supply center for UN military troops sent as initial observers of the cease-fire.

The trip was Prince Sihanouk's first to a distant province since his return from exile in November.

UNTAC is the largest-ever UN peacekeeping force that is to lead Cambodia's formerly warring factions into elections scheduled for 1993.

"While April will be very difficult to meet, in view of the very strong and unanimous desire expressed by all the factions to see the earliest possible deployment, I will convey this to all my colleagues and ambassadors at UN headquarters and if they listen to me we might be able to accelerate the date a little bit," Akashi told reporters late Sunday.

"Therefore I do not exclude April at least for a partial deployment," he added, quipping, "although my colleagues might execute me for saying this."

Budgetary and bureaucratic problems at UN headquarters in New York threaten to hold up the deployment of the full contingent, which could number more than 10,000 military people alone and cost a billion dollars.

Donor countries, whose attentions have turned to other situations in the former Soviet Union, Yugoslavia and El Salvador, have not been forthcoming in contributing to the Cambodia coffers, Akashi said.

An initial 200 million dollars in order to buy equipment and hire personnel will be freed by the beginning of February, he said.

"I hope these preparatory phases will be completed in eight to 10 weeks," Akashi said. "I think it is vital that these contingents are on the ground before the start of the rainy season" in May.

The problem of where to put UNTAC headquarters was solved at an SNC meeting Sunday. The four factions agreed that UNTAC would take over the former U.S. Embassy—now the Phnom Penh Government's Department of Fisheries—and what was meant to be SNC headquarters.

The SNC building was given to the Khmer Rouge for housing after Khieu Samphan and Son Sen were attacked by a lynch mob after their return to Phnom Penh in November.

The Khmer Rouge are now going to live in on the grounds of the Royal Palace, Akashi said.

Views Mobile UN Teams With Hun Sen

BK2501060892 Phnom Penh SPK in English 0429 GMT 25 Jan 92

[Text] Phnom Penh SPK January 25—Cambodian Prime Minister Hun Sen requested in Phnom Penh Friday for the setting up of UN mobile and survey team in Cambodia to survey the implementation of peace treaty.

In the talks with Yasushi Akashi, Japanese chief of the United Nation Transitional [Authority] in Cambodia (UNTAC), Prime Minister Hun Sen brought out the difficulties in the application of Cambodia's peace accord, especially the truce violations.

The prime minister suggested that the UN survey teams be deployed not only in the provinces of Battambang and Siem Reap but also in Kompong Thom and Kampot, and the mobile team be sent to each place.

Akashi accepted Hun Sen's proposal for further discussion on the possibility whether to set up the team or not.

Prime Minister Hun Sen described "importance" [as received] the visit made by Cambodia's UNTAC Chief in the effort to carry out the peace treaty pending the general elections.

He also briefed Akashi on activities undertaken by the government of the State of Cambodia which at present is keeping neutrality.

The Cambodian people's party and the government of the State of Cambodia were ready to cooperate with UNTAC in all activities, including the demobilization of armed forces, Prime Minister Hun Sen said.

However, he expressed worry over the cease-fire violation conducted by other Khmer sides and the occurrence of armed bandits.

Speaking of the consequences by the occurrence of armed bandits following the troop demobilization, Akashi said this is to be concerned by all of us". [quotation mark as received]

Akashi, who was appointed chief of UNTAC on January 9, said he would do all in his capacity to fulfill biggest historical responsibility ever undertaken by the United Nations.

Meets General Tie Banh

*BK2801093792 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 0430 GMT
28 Jan 92*

[Text] On the afternoon of 24 January at the Defense Ministry, His Excellency [H.E.] General Tie Banh, vice chairman of the Council of Ministers and defense minister of the State of Cambodia, received for talks H.E. Yasushi Akashi, special representative of the UN secretary general who will lead the UN Transitional Authority in Cambodia [UNTAC].

H.E. General Tie Banh informed Akashi about the implementation of the Paris peace agreement, which is being jointly carried out by the State of Cambodia and the UN Advance Mission in Cambodia [UNAMIC]. H.E. General also expressed concerns over troop cantonment because the Khmer Rouge side has refused to abide by the agreement already signed. Acts of aggression and robbery, such as in Kompong Thom Province, have occurred. When troop cantonment started, the Khmer Rouge fired artillery shells, launched attacks, robbed, and massacred people forcing thousands of families to live along National Route 6. UNAMIC is therefore requested to provide security for places from which the State of Cambodia's troops have withdrawn and this should be carefully done before the rainy season. This would facilitate troop cantonment and involve the construction of troop quarters. He went on to say that the State of Cambodia has already made preparations for troop cantonment and 70 percent of troop reduction. The disarming of troops has already been reported to UNAMIC. However, the other side has taken advantage of this opportunity to launch offensives against the State

of Cambodia, such as in Siem Reap-Oddar Meanchey, Kompong Thom, and a number of other provinces.

As for the Khmer Rouge, they still say that there are Vietnamese troops in Cambodia. The fact is that all Vietnamese troops were withdrawn at the end of 1989. H.E. Defense Minister appealed and requested the United Nations to provide assistance to the demobilized troops and to solve their daily life problems. The reduction of troops should be balanced in order to ensure safety. H.E. Minister specified that: Our party is ready to cooperate with UNAMIC for a smooth operation.

H.E. Yasushi Akashi expressed thanks to H.E. Tie Banh for creating favorable conditions for UNAMIC. H.E. Yasushi Akashi also expressed profound sentiments of happiness at seeing the four Cambodian parties agreeing and taking part in discussing problems aimed at implementing the peace agreement. H.E. stressed that Cambodia's pacification receives great attention from the UN Secretary General Butros Butros Ghali. H.E. pledged to use every possibility in pushing for the rapid deployment of UNTAC in Cambodia to carry out well the implementation of the peace agreement in Cambodia leading to the planned elections. H.E. Akashi also specified that the issue of peace in Cambodia not only has influence in Southeast Asia but it is a problem. The world should recognize that this is a world peace issue.

Addresses News Conference 26 Jan

*BK2701061892 Phnom Penh SPK in English
0445 GMT 27 Jan 92*

[Text] Phnom Penh SPK January 27—Yasushi Akashi, head of the United Nations Transitional Authority in Cambodia (UNTAC) said that he would be back here to preside personally over the progressive development of the military and civilian components of UNTAC.

Mr. Akashi said in his opening statement at a press conference held here Sunday, 26 January: "The mission of the United Nations in Cambodia is to restore and maintain peace, to promote national reconciliation and respect for human rights and create conditions that will enable the Cambodians to determine their own political future, through free and fair elections."

Akashi, a Japanese official who was named as head of UNTAC on January 9, is on a familiarization tour of Cambodia where he met with SNC [Supreme National Council] Chairman Prince Norodom Sihanouk and other SNC members.

He told the press conference that he had briefed the members of the SNC on the active preparation undertaken by the United Nations for establishment of UNTAC and the adoption of its budget. He said he also assured SNC members that the United Nations would make every effort to accelerate the process, so as to facilitate the early deployment of UNTAC.

"I intend to work closely with the SNC, and especially with Prince Sihanouk, to ensure that this cooperation

will continue to be forthcoming throughout the transitional period and that all parties will comply in good faith with the obligation undertaken in the Paris agreements," Akashi said.

He said that he was keenly aware that the task was enormous and complex, and that it would not be easy to carry it out.

However, he said he was extremely honoured to have been given this historical opportunity to work with all Cambodians towards peace, national reconciliation and a better future for Cambodia.

UN Observers To Check Cease-Fire Violations

BK2501103092 Hong Kong AFP in English 0559 GMT 25 Jan 92

[Text] Phnom Penh, Jan 25 (AFP)—The United Nations will deploy U.N. military personnel to the troubled central province of Kompong Thom, the U.N. Advance Mission in Cambodia (UNAMIC) said Saturday.

UNAMIC's military and civilian chiefs, Brigadier General Michel Loridon and Ataul Karim, left for the province Saturday to prepare for the deployment, a mission spokesman said.

Brig. Gen. Loridon and Karim were seeking to temporarily move three men from a resupply post in Battambang to Kompong Thom as quickly as possible, he said.

They will be replaced by permanent cease-fire observers within six weeks, according to a member of the Supreme National Council (SNC) Secretariat cited by the official news agency SPK.

A team will also be deployed to Kampot, where fighting has also been reported.

The decision comes after what the International Committee for the Red Cross (ICRC) called the most significant violation yet of Cambodia's cease-fire in Kompong Thom.

The organization tallied 13 dead and 18 seriously wounded, with another 10,000 people fleeing their homes because of the shelling between Phnom Penh and Khmer Rouge forces earlier this month.

Prince Norodom Sihanouk said he would travel to Kompong Thom on Wednesday to investigate the fighting himself.

Articles Stress Need To Control SRV Pullout

Criminal Acts Decried

BK2701092592 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 25 Jan 92

["Article": "Without the Control of the Withdrawal of All Vietnamese Aggressor Forces From Cambodia, Can the Paris Agreement Be Implemented?"]

[Text] It has been over three months since the Paris agreement came into existence; there is no indication that the Paris agreement has been implemented. The Vietnamese aggressors are constantly carrying out activities to continue their aggression and occupation of Cambodia.

Over the past three months, the Vietnamese aggressors have carried out activities to attack the resistance forces throughout Cambodia. They concentrated their activities in Kompong Thom Province, particularly in Stoung and Kompong Svay Khang Lech Districts, and along Route 12. The Vietnamese aggressors have fired artillery shells and multiple rockets on villages and liberated zones controlled by the resistance forces, killing people and cattle and burning many houses.

These criminal acts by the Vietnamese aggressors against the Cambodian people are aimed at taking back as much as possible liberated areas from the resistance forces. The Vietnamese aggressors are still able to carry out activities at will because there is no control by the UN Transitional Authority in Cambodia [UNTAC].

The Cambodian people, who are the ones bearing the brunt of the suffering and hardship resulting from the Vietnamese aggressors' act of aggression, very much want peace and keep asking this: There is the Paris agreement; why is there no control of the withdrawal of all Vietnamese aggressors' forces? The 23 October 1991 Paris agreement clearly talks about the dispatch of UNTAC to cooperate with the Cambodian Supreme National Council to implement the agreement in every aspect, particularly in controlling the withdrawal of all Vietnamese aggressors from Cambodia.

According to this agreement, the control of the withdrawal of the Vietnamese aggressors from Cambodia is a major and key point to be resolved before anything else. Only when this issue of control over the Vietnamese aggressors is solved can other issues be resolved in succession and can the agreement be fully implemented.

However, to this day there is no sign of UNTAC coming to control the Vietnamese aggressors and no component is thinking of carrying out this control. The Paris agreement is there along with the SNC but the agreement cannot be implemented because there is no control of the withdrawal of the Vietnamese aggressors from Cambodia. UNTAC has not yet arrived in Cambodia. What is the reason for this?

The Cambodian people and people worldwide are constantly watching those who are striving to implement the agreement and those who are destroying the agreement.

'Total' Withdrawal Urged

BK2701063392 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 25 Jan 92

[Article: "All Problems Related to the Paris Agreement are Not Caused by the Cambodians but by the Vietnamese Aggressors Who Are Occupying Cambodia"]

[Text] At present, an agreement and a Supreme National Council [SNC] are in existence in Cambodia. But, the UN Transitional Authority in Cambodia [UNTAC] has not yet arrived. Meanwhile, the Vietnamese aggressor forces are still occupying Cambodia's provinces and Phnom Penh. This occupation is the root cause of all the past and present problems in Cambodia.

The current fighting there is being waged by the Vietnamese aggressors. The Vietnamese aggressor forces have launched offensive attempts to seize the liberated zone controlled by the Democratic Kampuchea [DK] side in Stoung and the western part of Kompong Svay Districts in Kompong Thom Province and elsewhere.

About 70 percent of the Phnom Penh side's A-3 police unit are Vietnamese aggressor forces. These forces which have disguised in this police unit shot and killed the anti-corruption demonstrators in Phnom Penh in December 1991.

In Phnom Penh, the Vietnamese aggressor forces are still in control of the Phnom Penh side. Without the supervised total withdrawal of Vietnamese aggressor forces from Cambodia, the Vietnamese aggressors will continue to control Phnom Penh, attack the national resistance forces, and kill innocent Cambodians.

Therefore, the rumor that there are certain problems among the Cambodians is untrue. In fact, the Vietnamese aggressors who are still occupying and violating Cambodia in the provinces and in Phnom Penh, are the source of all its big and small problems.

Therefore, it is imperative that the agreement be implemented in order to resolve all its problems. This can only be done when there is supervision over the total withdrawal of Vietnamese aggressor forces from Cambodia. Cambodians inside and outside the country know and have persistently called for this, as have peace- and justice-loving countries and governments.

Thus, if one keeps raising the issue that Cambodians are the cause of the problems, the real cause—the Vietnamese aggressors—will be hidden and the Vietnamese will be able to continue their aggression and occupation of Cambodia. In such a case, the agreement cannot be implemented because the Vietnamese aggressors will continue to control Phnom Penh's affairs as they have been done since their invasion.

Section C in Annex I of the Paris agreement dated 23 October 1991 clearly defines that the SNC and the

UNTAC are to jointly supervise the withdrawal of all foreign forces, that is the Vietnamese forces, from Cambodia.

This is the most important point in the Paris agreement on Cambodia.

Opposition Fears Aftermath of Murder of Official

BK2801075592 Hong Kong AFP in English 0734 GMT 28 Jan 92

[By Sheri Prasso]

[Text] Phnom Penh, Jan 28 (AFP)—Opposition groups in Cambodia's capital said Tuesday that an atmosphere of fear and intimidation has gripped the city since last week's murder of a government critic, keeping them from political activity.

"Everyone is afraid, everyone is intimidated," said Thun Saray, a Cambodian intellectual and political prisoner who with 15 supporters started a human rights association that is still awaiting official permission to function.

He told of constant secret police surveillance and visits by police asking about his activities.

"I have not left my house since I heard the news" of the murder of Tea Bun-long last Wednesday, he said. "I cannot go to meet anyone else in the association. I am afraid someone will kill me, too."

Tea Bun-long was in charge of religious affairs for the National Front, a communist-style organization joining respected members of the community in support of the government.

Front members and friends at his funeral said he had been critical of government corruption.

A preliminary finding reported to Prince Norodom Sihanouk showed he had been abducted from his house in a military jeep, taken to a field outside the capital, bound and shot in the head.

"We are terrified," said a political activist who spoke on condition of anonymity. "Nobody can do anything (political) now. This was a signal to everyone not to go too far."

Ung Phan, who was in prison with Thun Saray for forming his own opposition party, gave interviews to foreign journalists recently because he was continuing to gather support for his party and said the exposure might keep him from danger.

"I am afraid to be thrown in prison again, or that they will try to shoot me or assassinate me," he told AFP. "The communists of this government have only changed their color."

Ieng Muli, the number two at the Khmer People's National Liberation Front (KPNLF) which fought

Phnom Penh in a civil war for nearly 12 years, said KPNLF supporters were receiving intimidating visits by police.

"There have been some threats of arrest if they continue their activity," he said. "(Police) come at midnight to their houses."

Ieng Muli said his driver had also been threatened. "Sometimes they visit him and tell him not to distribute the KP BULLETIN."

The BULLETIN is the only opposition publication to have appeared in the city and its first two issues have been popular among students. It is severely critical of government corruption, comparing it to a choleric disease that sucks the life out of Cambodia.

Prince Sihanouk, who on Saturday demanded an investigation into the murder of Tea Bun-long, told freelance journalist Nate Thayer: "I am told by the Cambodian parties that they cannot now run for elections because the ones who dare to support them are disappearing. I am told that the regime here kills... They simply disappear."

On Tuesday during a trip to Battambang, the prince said he had asked Prime Minister Hun Sen about the alleged disappearances.

"He said, 'No, it is slander,'" Prince Sihanouk said. "He told me nobody has disappeared. With Amnesty International and the ICRC (International Committee of the Red Cross) we will continue our investigation and will deal with the State of Cambodia to know where they are... but first I need names."

Chea Sim, the strongman behind the Phnom Penh Government and head of the ruling party, is widely believed to control the Interior Ministry's secret police, and has publicly supported the arrests of dissidents whose political activity threatened to destabilize the government.

Asked about the murder of Tea Bun-long, Chea Sim said an investigation was being conducted.

"We can only say that it is an irreparable loss for us and we feel very sad. This is the loss of a good leader," he said. "The (Phnom Penh) Government trusted him very much. He was a very good man."

22d Session of First National Assembly Continues

Editorial Previews Opening

BK2701085792 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 2300 GMT
26 Jan 92

[Station editorial: "Extending Warmest Welcome to the 22d Regular Session of the First National Assembly"]

[Text] In a new period of historic significance marked by national reconciliation and the implementation of the

peace agreement dated 23 October 1991 which has brought peace and security to our beloved motherland, our State of Cambodia [SOC]'s National Assembly—the top body of the SOC's state power and high-level representative of the Cambodian people—today holds its 22d plenary session.

This First National Assembly's 22d plenary session closely links to the general situation in our country and to the sacred aspirations and interests of our people who are experiencing a new historic period of arduous struggle to defend the country and national independence and sovereignty, check the return of the past catastrophe, and seek [words indistinct] formula and measures for quickly ending the war on the basis of a realistic view by upholding the vital interests of the Cambodian people, national sovereignty, and Cambodian people's right to self-determination and basing on respects for the UN Charter and international law on human rights as measures [words indistinct] political solution.

The year 1991 has just passed by. It has recorded the great efforts made by our SOC Government and people throughout the country who have [words indistinct] great national union to surmount the consequences of the flood disaster which had destroyed crop land—particularly over 100,000 hectares of rice—and many people's houses and property in several provinces, to successfully carry out the process toward seeking peace for the motherland, and to quickly end the war while striving for national reconciliation and preparing for the repatriation of the Cambodian refugees.

After the Paris agreement was signed on 23 October 1991, as the host, we have strived to surmount all complex problems and create favorable conditions for maintaining security and public order to ensure that all parties concerned can come to work in line with the spirit of the peace agreement.

Although there were some inconveniences at the beginning, the Supreme National Council [SNC] could hold its successive meetings in Phnom Penh and the UN Advance Mission in Cambodia [UNAMIC] has been working actively.

All these things have created an optimistic atmosphere for the implementation of the peace agreement in Cambodia and a new stage (?favorable) to building and making our nation prosperous again.

During its current session, the National Assembly will examine, sum up, and evaluate the general situation in all aspects during the recess between the 21st session and the current 22d session and, in its capacity as the state's top body, it will discuss all state and social administrative affairs for 1992 and the future.

We extend warmest welcome to the First National Assembly's 22d regular session and express our firm conviction that our National Assembly will exercise all

its rights and powers in line with the Constitution in order to enhance our state's entity.

Our people throughout the country wish the session wisdom and brilliant success.

Our people firmly hope that for the sake of our nation's fate and future, our National Assembly will provide valuable advices full of new constructive and initiative ideas as a help for the Council of Ministers to streamline the future development work in economic, social, and other fields appropriately with the immediate and long-term interests and aspirations of our people and society.

27 Jan Afternoon Session Reported

*BK2701135192 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 1300 GMT
27 Jan 92*

["Report on the 22d ordinary session of the State of Cambodia's First National Assembly"]

[Text] On the afternoon of 27 January at the office of the National Assembly, the 22d session of the State of Cambodia's first National Assembly continues its work according to the agenda.

This afternoon, assembly members and representatives of various establishments attending the session as observers attentively listened to the report on the activities of the Council of State between the 21st and 22d National Assembly sessions, read by Chan Ven, general secretary of the State of Cambodia's Council of State; the report on the results of the implementation of the 1991 socio-economic plan and the targets of the state plan for 1992, read by Chea Chanto, planning minister; the report on the major activities of the People's Supreme Court [PSC], read by Chan Sok, PSC chairman; the report on the activities of the attorney general attached to the PSC in the second half of 1991, read by Phet Phanu, attorney general attached to the PSC; the report on the implementation of the 1991 financial and state budget and the targets for 1992; and the report summing up the state budget's income and expenditure in 1991, read by Chhay Than, finance minister.

At 1700, the 22d session of the first National Assembly adjourned and will resume tomorrow.

28 Jan Morning Session Reported

*BK2801061192 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 0430 GMT
28 Jan 92*

[Text] On the morning of 28 January at the National Assembly, the 22d regular session of the State of Cambodia [SOC]'s First National Assembly continued its work according to the agenda.

This morning, assembly members and the representatives of various institutions who attended the session as observers listened attentively to reports on the work

performances of the Foreign Ministry concerning the process to settle the Cambodian problem and on important international events in the first half of 1991 read by Long Visalo, SOC deputy foreign minister.

Also during this session, Chem Snguon, deputy justice minister and chairman of the National Assembly's Legislative Commission, read a number of bills, including the bills on setting up the insurance business, the establishment of the Ministry of Religious Affairs and National Security Ministry, the adjustment of the role and tasks of the Interior Ministry, the adjustment of the Planning Ministry's organizations, role, and tasks, the change of the organizations and tasks of the Cambodian People's National Bank, and on incarceration and physical duress under the penal code.

The 22d session of the First National Assembly adjourned at 0900 to allow members to do individual research on all the reports for discussion tomorrow.

Indonesia

Government Ready To Discuss Timor With Portugal

*BK2701052092 Jakarta ANTARA in English
0405 GMT 27 Jan 92*

[Text] Singapore, Jan 26 (OANA-ANTARA)—Indonesia is always prepared to hold dialogues with Portugal on the situation in East Timor under the auspices of the United Nations, Foreign Minister Ali Alatas said here on Sunday.

Alatas was commenting on the press reports that Portuguese Foreign Minister Joao de Deus Pinheiro had proposed direct talks with Indonesia on the situation in East Timor during talks with UN Secretary General Butrus Butrus Ghali in New York last Friday.

"Matters as to whether the dialogues will be held or not will certainly depend on the willingness of the UN secretary general to proceed with the preliminary initiative to arrange an Indonesia-Portugal meeting under the auspices of the UN," Alatas said.

Alatas, who was here to attend an ASEAN foreign ministers meeting in preparation for the fourth summit of ASEAN on January 27 and 28, said that he did not know exactly what Pinheiro had actually proposed.

REUTER quoted Pinheiro in Lisbon last Friday as saying that the dialogues would have to include "the people of East Timor."

On the "precondition," Alatas said: "Which people of East Timor did he (Pinheiro) refer to?"

"A majority of East Timorese are on the side of Indonesia. They also have been represented, as representatives from among them had always taken part in UN sessions and other meetings," the minister said.

If he referred to the Fretilin [Revolutionary Front for an Independent East Timor] troublemakers, Alatas said: "I want to ask, whom do they actually represent other than their own group?"

East Timor integrated into Indonesia in 1976 and has now become the country's 27th province after nearly four centuries of Portuguese colonial rule.

Alatas further said the settlement to the question of East Timor would very much depend on the efforts made by the UN secretary general to take new initiatives to resume the Indonesia-Portugal negotiation following the unilateral action taken by Portugal to cancel the Indonesian visit of its parliamentary mission on November 4, 1991.

Australia Notes 'Serious Efforts' Over Dili

BK2501071492 Jakarta ANTARA in English 0320 GMT 25 Jan 92

[Text] Jakarta, Jan 25 (OANA-ANTARA)—Australian Ambassador to Indonesia Philip Flood has said that his government has no doubt on serious efforts Indonesia has made in handling the Dili incident.

Speaking to the press on Indonesia-Australia relations here on Friday, the ambassador said the seriousness of Indonesian efforts could be seen from chains of activities taken by this country after the explosion of this tragic incident.

"I lay no doubt on Indonesian regret upon the occurrence of the incident and its seriousness in handling it," he stressed.

According to him, the Australian Government believed that the incident taking place in the youngest Indonesian province wasn't masterminded by this country, but it was only a tragedy.

"I don't see any indication that such an incident was desired by the government or the Armed Forces (ABRI)," he noted, adding that it could be ascertained from President Suharto's statement on his deep condolence upon the incident.

The ambassador's confidence was closely based on Indonesian activities since the setting up of the National Investigation Commission up to the announcement of its results.

Soon after that, he added, President Suharto, as a commander-in-chief, removed a senior staff in charge of the incident.

The efforts were not only defined within the removal of senior regional commanders in charge, but the president also instructed the home minister to possibly purge and straighten up the provincial government, and coordinating minister for economic, financial and industrial affairs to take an immediate action for improving the life of people living in East Timor Province, he underscored.

Commentary Affirms Importance of ASEAN Summit

BK2701054392 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 27 Jan 92

[Station commentary]

[Text] The heads of state or government of the six ASEAN members—Indonesia, Malaysia, Singapore, Brunei Darussalam, Thailand, and the Philippines—will hold the two-day fourth ASEAN summit in Singapore beginning today. As in previous meetings, the ASEAN leaders gathered in Singapore will evaluate the cooperation they have already agreed on. They will also lay a framework for future economic, political, and security cooperation as well as between itself and other countries in the region, particularly the Asia-Pacific. Of course, we are highly interested and eager to know the contents of the framework for future cooperation and other agreements this meeting will produce.

Moreover, Indonesian Foreign Affairs Minister Ali Alatas has indicated in Singapore that the fourth ASEAN summit will be as important as the 1976 Bali summit which produced three important documents. Three documents or basic decisions are also expected to be issued in Singapore. They are the 1992 Singapore Declaration, a document on enhancing intra-ASEAN economic cooperation, and a document on the common effective preferential tariffs to create the ASEAN free trade area. From the three draft documents that will be issued, it is apparent that ASEAN is determined to accelerate the pace of economic cooperation.

Indeed, many parties believe that ASEAN has achieved heartening results politically 25 years after its creation. However, its economic achievements have not lived up to its expectations. Even though the economic issue will be accorded (?special) attention, this will by no means reduce the focus on political and security cooperation. ASEAN needs to respond appropriately to recent developments particularly in Southeast Asia following the end of the cold war. In response to these developments, Foreign Affairs Minister Ali Alatas categorically said that ASEAN adheres to the concept of national resilience as a step toward regional resilience internally. Externally, ASEAN is striving to attain the concept of a zone of peace, freedom, and neutrality or ZOPFAN in addition to implementing the Treaty of Amity and Cooperation which could also apply to non-ASEAN countries in Southeast Asia. In short, (?potential) for ASEAN cooperation in all fields will become the topic of discussion during this fourth ASEAN summit.

Security Forces Repel Irian Jaya Rebels' Attack

BK2501120692 Jakarta Radio Republik Indonesia Network in Indonesian 1000 GMT 25 Jan 92

[Text] Indonesian Armed Forces [ABRI] security units have repelled an attack by Irian Jaya Security Disturbance Movement, which tried to storm a civil defense post and a police station in Sota village, Merauke subdistrict, Irian Jaya.

Speaking to ANTARA in Jayapura today, Lieutenant Colonel Siswanto, chief of the Trikora Eighth Regional Military Command's Information Service, said the attack took place at about 2300 East Indonesian Time on 24 January. It began with a shot fired from a revolver believed to serve as a signal to launch the attack.

Despite the coordinated and sudden attack, the security personnel's vigilance at the two security posts managed to repel the attack after an exchange of fire for about one hour. Lt. Col. Siswanto noted that several ABRI troopers were injured while one GPK member was shot dead.

After receiving a report on the attack, Lieutenant Colonel (Suwae), commander of the Merauke District Regional Command, dispatched a reinforcement of combat troops to Sota, which is located about 63 km east of Merauke.

Capture Separatist Leader

BK2701035892 Jakarta ANTARA in Indonesian 0333 GMT 27 Jan 92

[Text] Dili, Jan 27 (OANA-ANTARA)—Jose da Costa, deputy chief of a Security Disturbance Movement (GPK) in East Timor, was captured at his hiding place in Bairo Pite Village, West Dili District, a military commander said Saturday night. The East Timor Military Operation Command chief, Brigadier General Theo Syafei, said Da Costa was captured by a sergeant and is suffering from malaria. There was also a wound in his left rib caused by a fall. Jose da Costa, who also used the name Mauhudu, was captured on Thursday night, January 23, and is now being treated at a hospital.

Continue Hunt for GPK Members

BK2701110592 Jakarta ANTARA in English 1006 GMT 27 Jan 92

[Text] Jayapura (Irian Jaya), Jan 27 (OANA/ANTARA)—Security officers are continuing efforts to hunt for Security Disturbing Movement (GPK) members following an attack by the GPK members Friday night on a police station in Sota village, Marauke regency, near Indonesia-PNG [Papua New Guinea] border, a military spokesman said here on Monday.

Chief of the Information Office of the (VIIIth) [as received] Maluku-Irian Jaya Military Command Lieut. Col. [Lieutenant Colonel] Chb. Siswanto said that the hunt was organized under the instruction of Maj. Gen. [Major General] Abinowo, Chief of the VIIIth Military Command.

In the incident, when dozens of the GPK members launched sudden raid on the police station, a number of armed forces troops were injured and one GPK member was shot dead.

Besides shooting to death one of the trouble makers, security officers also confiscated a fire-arm of the Mouser type.

Security troops are hunting the trouble makers to the north of the Sota village, about 15 km from the Indonesia-Papua New Guinea border, Siswanto said.

Security officers believed that after the attack, the GPK members fled to their hideouts, north of the Weam village, an area said to be difficult to be penetrated due to wild forests, swamps and rivers.

Siswanto said that security troops were not allowed to enter the PNG area in chasing the trouble makers, which is mounted day and night.

There is no report whether there has been a GPK member arrested or shot dead by security forces during the hunting.

The attack on police stations was the third of its kind launched by GPK since last year.

Laos

DPRK Foreign Minister Arrives on Visit 25 Jan

Received by Phoun Sipaseut

BK2501035492 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 25 Jan 92

[Text] Phoun Sipaseut, Lao deputy prime minister and foreign minister, received Kim Yong-nam, DPRK vice premier and foreign minister, at the Foreign Ministry yesterday evening. The meeting proceeded in a good atmosphere. Phoun Sipaseut praised the visit to the Lao People's Democratic Republic [LPDR] of the delegation of the DPRK Foreign Ministry.

Kim Yong-nam expressed thanks to the Lao Government for the honorable and warm reception.

The two foreign ministers discussed several issues and emphasized the strengthening of solidarity, friendly relations, and cooperation between Laos and the DPRK.

Phoun Sipaseut reaffirmed the LPDR's unswerving intention to render full support for the DPRK Government's policy, just cause, and goodwilled attitude of the DPRK Government, as stipulated in the statement issued by the DPRK Foreign Ministry, in its relentless endeavors to achieve the reunification of the Korean nation and turn the Korean peninsula into a zone of permanent peace and stability.

Kim Yong-nam and his delegation arrived in Vientiane on the afternoon of the same day for a four-day visit to the LPDR at the invitation of Phoun Sipaseut, Lao deputy prime minister and foreign minister.

At 1530 Kim Yong-nam and his delegation laid wreaths at the Monument of the Unknown Combatants to pay tribute to the souls of Lao revolutionary combatants.

During the visit, Kim Yong-nam and his delegation are scheduled to hold consultative meetings with their Lao

counterparts. Phoun Sipaseut also accompanied the DPRK foreign minister to pay courtesy calls on President Kaysone Phomvihane and Prime Minister Khamtai Siphandon.

On the evening of the same day, the Lao deputy prime minister and foreign minister also hosted a dinner reception in honor of Kim Yong-nam and his delegation at Lan Xang Hotel.

Friendship, Solidarity Reaffirmed

BK2501150792 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 25 Jan 92

[Text] This morning at Guest House No. 2 of the Foreign Affairs Ministry, Phoun Sipaseut, deputy prime minister and foreign affairs minister of the Lao People's Democratic Republic [LPDR], held official talks with Kim Yong-nam, DPRK vice premier and foreign minister, who is currently paying a visit to the LPDR. The talks between the two personalities proceeded in an atmosphere of friendship and frankness.

Phoun Sipaseut informed Kim Yong-nam of the internal situation in Laos, saying that the LPDR firmly adhered to, and advanced along, the path of implementing the policy of the party and government of restructuring in order to carry out socioeconomic development in the country with support from the multiethnic people—a policy that has recorded initial successes in many fields. Phoun Sipaseut said: The 5th party congress convened in March 1991 once again reaffirmed the continued principled implementation of comprehensive restructuring, which is aimed at increasing unity among the entire people, developing production forces, and promoting and utilizing all economic sectors. This is with a view to doing away with the natural economy and gradually switching to the market economy so as to improve the people's material and cultural life, promote democracy in our social life, incessantly hold aloft the leading role of the party in our political system, consolidate national defense and public security maintenance work, and broaden relations and cooperation with foreign countries and international organizations in order to build Laos into a country with peace, independence, democracy, unification, and prosperity.

Noting the relations between Laos and the DPRK, Phoun Sipaseut said that the two countries have long maintained a tradition of friendship and solidarity. In the new period, the Lao party, government, and people have not decreased their determination to render support to the just cause of the Korean people and their struggle for the peaceful reunification of Korea on the basis of great national unity. The Lao party, government, and people maintain a consistent attitude toward the just cause of the DPRK, that is, we always give support to the Korean party, government, and people in translating their political objectives into reality so as to reunify the country and to build the Korean peninsula into a nuclear-free zone with genuine peace.

Kim Yong-nam expressed satisfaction with, and thanked, the Lao party, government, and people for giving support to the political objectives as well as the just stand of the DPRK. Kim Yong-nam informed Phoun Sipaseut of the situation in the DPRK and the process of trying to reach agreement between the two Korean sides regarding national concord, nonaggression, mutual cooperation, and mutual exchanges between the North and the South, which were discussed at the highest-level meeting between the prime ministers of the two sides—the North and South—on 13 December 1991.

In addition, the Lao and DPRK foreign affairs ministers also consulted with each other and exchanged views on the strengthening of relations and cooperation in other fields between the parties and governments of Laos and the DPRK in the future, and other issues of mutual interest in this region and the world.

On the afternoon of the same day, Maisouk Saisompheng, chairman of the Laos-DPRK Friendship Association, called on, and chatted with, Kim Yong-nam and his party at the Guest House of the Foreign Affairs Ministry.

Prime Minister Hails Visit

BK2701145592 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 27 Jan 92

[Text] This morning at the Government Guest House Khamtai Siphandon, prime minister of the Lao People's Democratic Republic [LPDR], received a courtesy call from Kim Yong-nam, vice premier and foreign affairs minister of the DPRK, and his entourage.

During his conversation with the visitors, Prime Minister Khamtai Siphandon hailed the visit to the LPDR by the DPRK vice premier and foreign affairs minister who brought with him the solidarity and friendship of the Korean people to the Lao people.

On behalf of the party and government of the DPRK, Kim Yong-nam expressed profound gratitude toward the Lao party and government for having consistently rendered support to the just stand and struggle of the Korean people for national reunification.

Prime Minister Khamtai Siphandon reiterated once again that on the basis of the LPDR's foreign policy toward the DPRK, the Lao party and government are of the view that the relations of friendship and traditional solidarity have been specifically nurtured and forged by President Kaysone Phomvihane and President Kim Il-sung. At present, the consistent stand and attitude of the LPDR has not changed. The LPDR always supports the realization of the political objective of the party, government, and people of Korea in reunifying the country and building the Korean peninsula into a zone of lasting peace and stability.

Kim Yong-nam expressed satisfaction on the strengthening of the relations of friendship and solidarity

between the Lao and Korean peoples, noting that such relations have been gradually developed. At the same time, Kim Yong-nam wished the Lao people new, greater achievements in fulfilling the new tasks of building and developing the economy and defending the country.

Meets With Kaysone Phomvihan

BK2801033392 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 28 Jan 92

[Text] Yesterday afternoon, Kaysone Phomvihan, president of the Lao People's Democratic Republic [LPDR], received at the Presidential Office in Vientiane a courtesy call from Kim Yong-nam, vice premier and foreign affairs minister of the DPRK. On this occasion, President Kaysone Phomvihan talked with the DPRK vice premier and foreign affairs minister in a cordial atmosphere.

President Kaysone Phomvihan expressed satisfaction over the visit to the LPDR by Kim Yong-nam and delegation, the visit which, he said, has resulted in further enhancing the friendly relations, solidarity, and cooperation between the LPDR and the DPRK. The consistent support of the party and government of the LPDR to the just stand of the party and government of the DPRK has constituted a significant factor contributing to boosting the process of achieving peaceful reunification of the Korean nation. President Kaysone Phomvihan also noted the steps of development in implementing the restructuring cause, in particular the building of economic, technical, and scientific foundations of the LPDR. He also conveyed best regards to President Kim Il-song, beloved leader of the Korean people. He wished for the increasing promotion and expansion of the friendly relations and solidarity between the Lao and Korean peoples.

Kim Yong-nam, in return, informed the LPDR president of the success of his visit to Laos, during which he held a consultative meeting with Phoun Sipaseut, deputy prime minister and minister of foreign affairs of Laos, on many issues aimed at further promoting and expanding the traditional relations between the two countries. Kim Yong-nam also conveyed to President Kaysone Phomvihan the best regards from President Kim Il-song.

Phoun Sipaseut, deputy prime minister and minister of foreign affairs, also accompanied President Kaysone Phomvihan in receiving the state guest on this occasion.

Kaysone Visit to Thailand Praised

BK2501125592 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 25 Jan 92

[PASASON 25 January article: "Wholeheartedly Hail the Success of the Visit to Thailand by His Excellency Kaysone Phomvihan"]

[Text] In response to the invitation of His Majesty King Phumiphon Adunyadet and her majesty the queen of the Kingdom of Thailand, His Excellency [H.E.] Kaysone

Phomvihan, president of the Lao People's Democratic Republic [LPDR], his wife, and party, including such important persons as H.E. Phoun Sipaseut, deputy prime minister and foreign affairs minister; H.E. Phao Bounaphon, foreign economic relations minister; H.E. Som-savat Lengsavat, minister attached to the Prime Minister's Office; and other personalities, paid a visit to the Kingdom of Thailand from 6 to 23 January 1992. After concluding the brilliantly successful visit, the LPDR president and his party returned to the capital, Vientiane, on 23 January, bringing with them the brotherly affection and warm greetings of the Thai people to the Lao people in the capital as well as throughout the country.

During his visit to Thailand, H.E. President Kaysone Phomvihan and his entourage received the great honor of being accorded a special and warm welcome by His Majesty King Phumiphon Adunyadet, her majesty the queen, members of the royal family, and the Thai Government and people. It was the greatest welcome ever extended [to foreign visitors] in this period of the history of the Kingdom of Thailand. It was also a fitting welcome for brothers of the same blood.

Laos and Thailand are close, neighboring countries sharing more than 1,000 kilometers of common border. The Lao and Thai peoples have been people of the same race since the reign of King Borom Rachathilat in ancient times. They have used similar spoken and written languages and almost identical customs and traditions. Thanks to the similarities between the two peoples in these various aspects, Lao and Thai people living along the border as well as those throughout the two countries have coexisted as friends and kin since ancient times. This fine tradition has been continued ever since.

The spirit of Lao-Thai friendship has now developed into a new dimension, as can be seen in the visit to the LPDR by Her Royal Highness Princess Maha Chaskkri Sirinthon in early 1990. No one can deny that the mutual relations, cooperation, and assistance between the two peoples of Laos and Thailand have been elevated to a higher level.

Another important event that recently took place was the visit to the LPDR by H.E. General Suchinda Kraprayun, vice chairman of the National Peacekeeping Council, Thai military supreme commander, and army commander in chief of the Kingdom of Thailand, in early 1991. Following the general's visit, troops of the two sides were immediately withdrawn from the Lao-Thai border area in the north, where disputes between the two countries had occasionally flared up, in order to prevent any undesirable occurrences. In late 1991, the prime ministers of the two countries—H.E. Khamtai Siphandon and H.E. Anan Panyarachun—together with a representative of the Australian Government, cohosted the opening ceremony of the construction of the first bridge across the Mekong River to link Laos and Thailand.

In addition, the governments of the two countries also set up national-level general border peacekeeping coordination committees and the committees for comprehensive cooperation to be high-level management mechanisms for further strengthening the friendship, peace, and mutual assistance and cooperation between Laos and Thailand.

Therefore, the visit to the Kingdom of Thailand by H.E. Kaysone Phomvihane in the capacity of chief of state of the LPDR and as guest of His Majesty King Phumiphon Adunyadet is a visit of great significance. The visit not only reaffirms the brotherly relations and cooperation, which are entering a new and better atmosphere, but also serves to remind the entire Lao and Thai peoples of their similarities in various areas, namely race, spoken and written languages, customs and traditions, and their kindred relationship since ancient times. His Majesty King Phumiphon Adunyadet said: Our countries are close neighbors. Our two peoples are Buddhist followers and share similar traditions, culture, and customs. We are known as close kin.

The Lao people throughout the country are pleased with and wholeheartedly hail the glorious success of the visit to the Kingdom of Thailand by LPDR President H.E. Kaysone Phomvihane. Nonetheless, both Lao and Thai peoples are still concerned about some border problems which have not yet been wholly resolved to the point that the local residents in those areas are able to feel secure enough in their lives. In addition, the Lao people are still suspicious of some bad elements in Thailand who may give support to a number of bad elements to sneak into Laos to create disturbances among our people in some areas. The multiethnic Lao people are confident that the visit to the Kingdom of Thailand by LPDR President H.E. Kaysone Phomvihane will mark an important symbol for the era of relations between our two countries—an era of mutual understanding and sincerity—so that it will become a basis of our cooperation in building and developing our two countries to become more prosperous.

At a banquet held in his honor at the Chakkri Throne Hall in Bangkok, H.E. President Kaysone Phomvihane said: If we only cherish the spirit of brotherliness and being close friends, disavow our mutual distrust, and adhere to the Buddhist morale principle and the five-point principle of peaceful coexistence, there is no problem in the Lao-Thai relations that cannot be resolved by both of us.

Philippines

Two Suspects in Barnes Kidnapping Case Probed

HK2701060792 Quezon City MALAYA in English
27 Jan 92 p 3

[Text] Police Deputy Director, General Gerardo Flores yesterday said crack government agents working on the

rescue of kidnapped American business executive Michael Barnes were now concentrating on only two suspects.

Flores also expressed optimism the police may come up with a definite lead or even produce Barnes within two weeks.

"We're eighty percent sure one of them is the real McCoy. Give us two weeks, mailalabas na namin si Barnes [we can rescue Barnes]," Flores told newsmen when interviewed at Camp Aguinaldo.

He said five suspects were already in the hands of the Philippine National Police Criminal Investigation Service Command but he did not elaborate. He also refused to name the suspects.

Flores, who heads the PNP [Philippine National Police] task force on kidnapping, said the military was cooperating with the police for an early solution of the Barnes kidnapping.

Barnes was kidnapped in front of his Makati office by unidentified men armed with machine pistols last Jan. 17.

So far, no group has claimed responsibility for the kidnapping and no ransom note has been sent.

But two persons earlier called Barnes's office, the Philippine Geothermal Inc., and said Barnes was with them. The first caller did not demand any ransom while the second asked for \$20 million. Investigators said both calls were made by "mere pranksters."

The influential American Chamber of Commerce and Industry, of which Barnes is a director, has advised its members to limit their daily movements in the wake of an "alarming" peace and order situation in the country.

Meanwhile, Police Director General Cesar Nazareno, the PNP chief, ordered the deployment of 150 men from the Police Special Action Force in Binondo, Manila to replace those relieved from the Western Police Chinatown District Force.

Nazareno last week ordered the relief of the entire policy detachment in Chinatown led by its commander, Police Chief Inspector Nilo Jambalos, due to his reported failure to stop the growing number of unsolved crimes, including the rash of kidnap-for-ransom incidents and robbery holdups, in the predominantly Chinese community.

Security Increased at Company

HK2701071392 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 27 Jan 92

[Text] Colonel Virtuous Gil, Philippine National Police [PNP] provincial director, has ordered the implementation of tighter security measures at Philippine Geothermal Incorporated [PGI]. Colonel Gil's theory is that the Barnes kidnapping resulted from the company's refusal to pay so-called revolutionary taxes to the NPA in the Southern Tagalog region. The PGI has refused to pay

such taxes for the past six months. The communists reportedly threatened to bomb the company's plant in Laguna if it did not pay up.

The PNP has mounted tight security measures in Laguna to protect plant personnel.

Drilon: No 'Trouble' While Aquino in Singapore

HK2501080592 Manila DZXL Radio Mindanao Network in Tagalog 0700 GMT 25 Jan 92

[Text] There will be no destabilization attempt against the government when President Aquino leaves for Singapore tomorrow. This was stated by Executive Secretary Franklin Drilon to allay the fears of some sectors regarding Mrs. Aquino's trip to Singapore.

Earlier, several sectors expressed the fear that today's endorsement of a presidential candidate in the 1992 polls by the president may spark political trouble. Drilon asserted that no unexpected situation could destabilize the country. Drilon, who has been appointed the country's caretaker while President Aquino is away, said the rebel soldiers will not launch any destabilizing attempt while the May election is drawing near.

Aquino Leaves; To Attend ASEAN Summit

HK2601042892 Hong Kong AFP in English 0213 GMT 26 Jan 92

[Text] Manila, Jan 26 (AFP) - Philippine President Corazon Aquino left Sunday for the Association of Southeast Asian Nations (ASEAN) summit in Singapore, saying she hoped it would achieve closer economic cooperation in the region.

Aquino left aboard a Philippine Airlines plane for her four-day trip. The summit will be held Monday and Tuesday, with Aquino returning here the next day.

"I go to Singapore in the hope and expectation that the ASEAN summit will produce decisions that will be of tangible and lasting benefit to the Filipino people," Aquino said in a speech before she left.

"I expect ASEAN to agree on measures of closer economic cooperation which will result in increased trade and investment in the region," she added.

Aquino said she expected the regional grouping's fourth summit would "address the question of what is needed for regional security and for the improvement of the quality of life in the region."

Aquino recently notified the United States that its forces must vacate Subic Naval Base, north of here, by December 31. The Philippine Senate in September rejected a 10-year treaty extending the stay of U.S. troops in Subic.

However, Singapore subsequently agreed during the visit by U.S. President George Bush to the city state early this month to host a naval logistics support force from Subic.

U.S. troops withdrew from Clark Air Base, near Subic, last year because of the devastation wrought on the facility by the eruption of the Pinatubo volcano.

Palace Denies Military Expecting Coup

HK2701054892 Quezon City MALAYA in English 27 Jan 92 p 9

[Text] Malacanang yesterday allayed fears that rebel soldiers may launch destabilization efforts during President Aquino's four-day visit to Singapore following her endorsement of former defense secretary Fidel Ramos as her successor.

Executive Secretary Franklin Drilon, in an interview, said there is no truth to reports that the military has been on red alert.

He also denied reports that another coup is in the offing.

Speculations that right-wing extremists might spring destabilization moves abound in the absence of President Aquino who is attending the fourth Association of Southeast Asian Nations summit in Singapore.

Rebel officers led by cashiered Lt. Col. Gregorio Honasan are known to harbor ill feelings against Ramos, who had crushed several coup attempts against the Aquino government.

In the heat of Ramos' campaign to win the presidential nomination of the ruling Laban ng Demokratikong Pilipino [Struggle of Filipino Democrats—LDP] last year, Honasan and ex-Commodore Domingo Calajate held talks with Speaker Ramon Mitra Jr, Ramos' chief rival in the LDP primaries. Political observers regarded it as a move to frustrate Ramos' bid to gain the party's nomination. Mitra eventually won the primaries and was declared the LDP standard bearer.

Military officials have said rightist rebels are no longer capable of staging another coup.

Drilon also stressed that Mrs Aquino will continue to run the government even if she is in Singapore. There will be an "open line" of communication between him and the President, Drilon said.

National Security Director Rafael Ileto has said rightist rebels are likely to wait for the outcome of the elections.

Hopes for Trade, Security Cooperation

HK2701051592 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 26 Jan 92

[Text] President Aquino says she hopes that the ASEAN countries will agree to expand trade and tackle such issues as the region's security. The fourth ASEAN summit meeting opens today in Singapore. Discussions

are expected to cover the historic changes around the world. The six ASEAN foreign and economic ministers are known to be in agreement on a Philippine initiative for an economic cooperation treaty. They have also agreed on a common preferential tariff scheme and an ASEAN free trade area.

President Aquino is expected to bid farewell to the ASEAN leaders as her term as Philippine chief executive comes to an end.

Offers 'Growth Triangle' Area

*HK2701055892 Manila THE CHRONICLE in English
27 Jan 92 p 1*

[By Booma Cruz]

[Text] Singapore (Via PLDT [Philippine Long Distance Telephone Co.])—President Aquino yesterday offered Singapore and other members of the Association of Southeast Asian Nations (Asean) one industrial estate, province or district in the Philippines as a component of another "growth" triangle in the region.

Mrs Aquino endorsed the concept of the growth triangle as a "promising" economic alternative in a speech before the Singapore Chinese Chamber of Commerce and Industry (SCCCI).

She assured the Singaporeans of a stable government as well as a more conducive and liberalized investment climate.

The President and her party arrived here yesterday to attend a two-day Asean summit also being attended by her counterparts from Brunei, Indonesia, Malaysia and Thailand.

She was met at the Changi Airport by Singapore Prime Minister Goh Chok Tong and was accorded full military honors upon her arrival.

In Manila, Executive Secretary Franklin Drilon said there was "need to place the military on red alert" [passage as published] with the President's departure. He expressed confidence that things would remain normal and stable during the President's four-day absence.

"Wala namang masyadong problem ngayon," ["There aren't too many problems now,"] Drilon told reporters at the Ninoy Aquino International Airport where he and other Cabinet officials as well as members of the diplomatic corps saw the President off.

"We have an open line of communications with the President and she will continuously run the government even from Singapore," Drilon said.

In her speech, the President noted that the growth-triangle concept initiated by Singapore, Malaysia and Indonesia had paved the way for greater economic growth and stability in the region.

She urged the chamber's 250 members to invest more in the Philippines, adding that the country would want to form another growth triangle with Singapore and any other Asean member.

The country's natural resources—adequate labor and land reserve—were an "excellent match" to Singapore's vast financial resources and technical expertise, the President said.

Mrs Aquino told the businessmen here: "The Philippines is ready and willing to conduct the necessary feasibility studies with other participating countries to start the integration process... I wish to invite you to look at the Philippines as another alternative venue. We have attractive areas such as Manila, Cebu or Cagayan de Oro for your expanded ventures."

The President's call was positively received by the Singapore business community. Tang Eng Joo, SCCCI president, promised to support and encourage more Singaporean investments in the Philippines.

Singapore belongs to the top 10 investors in the country. But its investments dipped when it turned its attention to the growth triangle implementation with Malaysia and Indonesia.

From \$23.3 million in 1989, Singapore investments went down to \$12.6 million when it adopted the growth-triangle concept.

Philippines Board of Investments figures indicate that Singapore's total investments in the Philippines had reached \$78.8 million, mostly in shipping, hotels, recruitment and advertising. Statistics also show that the Philippines has an unfavorable trade balance with Singapore. In 1990, the Philippines exported \$259.6 million to Singapore as against imports totalling \$486.6 million.

Supports Dialogue on Security Issues

*HK2801064192 Manila BUSINESS WORLD
in English 28 Jan 92 pp 1, 5*

[Text] Mrs. Aquino yesterday voiced support for moves to institutionalize dialogs on regional security through the formation of an ASEAN Consultative Committee for Defense Cooperation.

First espoused by Indonesia last year, the initiative was designed to place the subject of regional security squarely in the ASEAN agenda "as an importance [word as published] confidence-building measure for lasting peace and stability in our part of the world. We believe that the process deserves to be maintained."

In this connection, Thailand Prime Minister Anand Panyarachun welcomed Vietnam and Laos's desire to accede to the ASEAN Treaty of amity and cooperation, even as the new relationship pattern among regional states "will be further strengthened by increased trade and economic ties. I am convinced that economic linkages and interdependence will be the most important

factor binding nations in this region together, and will, in turn, ensure the maintenance and promotion of regional security and stability in the long run."

To this end, Mr. Anand pressed the 25-year-old alliance "to take a bold and forward-looking initiative in realizing its long-term objectives. Now is the time for ASEAN to enlarge its vision ... Only by doing so could ASEAN hope to bring the benefit of economic and social development to its peoples and to continue to play a meaningful and constructive role in the affairs of the wider region of Asia and the Pacific where we belong, as well as the international community at large."

Editorial on Singapore Summit

HK2801053392 Manila *THE CHRONICLE* in English
28 Jan 92 p 4

[Editorial: "Asean Makes a Bid for Relevance"]

[Text] The fourth summit of the Association of Southeast Asian Nations in Singapore is a turning point for both Asean and the Philippines. After 25 years of straying away from its original objective of promoting economic and cultural cooperation among its members and grandstanding in regional diplomacy, Asean has at last redirected its focus to making the organization relevant in the face of the economic bloc consolidation of the European Community and the North American Free Trade Agreement [Nafta] countries (the United States, Canada and Mexico).

Asean ministers in Singapore, prodded by the remorseless reality of transforming the organization into a real, rather than a paper, economic tiger or perish against other regional economic protectionist fortresses, have recommended to the summit a plan to integrate the economies of member states into a free trade area within 15 years. The instrument for integration is the Common Effective Preferential Tariff which seeks to reduce eventually tariffs to between zero and 5%. This is a weak impulse towards tariff reduction; at the beginning, the scheme will apply only to 15 product sectors, mainly electronics and textiles. The scheme has too many loopholes and excludes farm products and services sectors. Weak as it may appear, the scheme is at least a concrete step towards tariff liberalization. The plan for a free trade area that could raise the level of trade among the Asean allies is made in the context of the fact that Asean, as a collectivity, and its individual members bilaterally, carry on a bigger volume of trade with other blocs and nations than among themselves. In 1990, for example, intra-Asean trade was worth only \$24.2 billion, compared with Asean total trade of \$268 billion with countries outside the group.

For its part, the Philippines has gone to the summit nagged by the question: What's in it for us in Asean? During the past 25 years in Asean, the Philippines essentially has been a passive member, producing very few initiatives, mainly because of its relative geographical isolation from the theaters of conflict in Southeast

Asia. Its concerns were not as acute as those of, for example, such front-line states as Thailand or even Malaysia. During the politically-active years of Asean, initiatives for the settlement of conflicts in Southeast Asia have come from Indonesia, which likes to believe it is destined by geography and history for a big power role in the region. It has been guided by the foreign policy imperative that it must counter-balance China's influence in Southeast Asia. Indeed, Indonesia played a leading role in the search for a political settlement on Cambodia.

In economic terms, the Philippines has not found Asean relevant, or useful, to its economic development. This irrelevance of Asean to this country is underlined by the following statistics: in 1991, the Philippines major markets were the U.S. 36.5%; Japan, 20.7%; EC, 20.4%; Hong Kong, 4.4%; South Korea, 3.3%; and Taiwan, 2.4%. For the same year, its major sources of investment were Japan, 33.7%; U.S. 10.1%, and Taiwan, 5.1%.

The call by President Aquino at the summit for Singapore to invest in the Philippines and for our participation of formation of a new growth triangle among the Philippines, Singapore and another Asean country must be seen as an effort to deepen Philippine relationship with Asean. The Philippines wants to stop the rut of being left out in cozy enclave arrangements within Asean. There has been a tendency in Asean to isolate the Philippines from joint economic projects. One of these is the growth triangle scheme which started among Indonesia, Malaysia and Singapore based on the Malaysian state of Johore and Indonesia's Riau islands. Indonesia, Malaysia and Thailand are examining another growth triangle involving the Strait of Malacca.

The growth triangle scheme constitutes an enclave development within Asean and works to isolate or marginalize some members. At the summit, the Philippines, is by implication, calling the attention of Asean that it returns to its goal to broaden—not restrict—the basis of economic cooperation among its members, and the growth triangle concept contradicts this goal. Unless growth triangles are replicated to include all of the Asean partners so that the triangles could interlink, Asean could easily be transformed into an enclave model of regional cooperation.

What the Philippines is telling Asean at the summit is that its members have so far been savaging one another. But Asean can only be relevant and competitive in relation to the evolving power economic blocs—such as Nafta and the EC, not to mention Japan—if it strengthens itself as an economic bloc. But Asean can only be strong as its weakest economic link. Its members have different levels of economic development, and this is an important source of its phlegmatic economic integration. The other important source, of course, is the fondness of Asean for political rhetoric and the big power pretensions of some of its members. If Asean is not economically relevant, at least to this country, then what's its use to us?

Aquino Appoints New Election Body Chief

*HK2701052192 Quezon City MALAYA in English
27 Jan 92 p 9*

[Text] President Aquino has appointed Vicente de Lima, Commission on Elections [Comelec] executive director, as the new elections commissioner replacing Alfredo Abueg Jr who resigned from office to run for congressman in Palawan, Executive Secretary Franklin Drilon said yesterday.

Drilon said Malacanang will submit De Lima's appointment papers to the Commission on Appointments today.

De Lima's tenure at the Comelec would only be until 1994 since he would be completing the remaining years that Abueg was supposed to finish, Drilon added.

The President earlier appointed Remedios Fernando of the Land/Transportation Franchising and Regulatory Board as Comelec commissioner. Fernando will be occupying the seat vacated by Leopoldo Africa who retired from office last year. Her term will end on Feb 15, 1998.

Ramos Reportedly Chooses Running Mate

*HK2701052392 Manila DWIZ Voice of the Filipino
People's Radio in Tagalog 2200 GMT 26 Jan 92*

[Text] Negros Occidental Governor Daniel Lacson will be former Defense Secretary Fidel Ramos' running mate. According to Congressman Edelmiro Amante, president of the Partido Lakas Tao [People's Power Party], Lacson was chosen as Ramos' team mate for the presidential elections in May after former Chief Justice Marcelo Fernan had rejected Ramos' offer to be his vice president. It has been reported that Senator Agapito Butch Aquino was chosen as House Speaker Ramon Mitra Jr.'s mate. However, President Aquino, speaking in Singapore, denied that anyone had been chosen to be Ramos' running mate.

In related news, former Defense Secretary Fidel Ramos is trying to get the blessing of Cardinal Jaime Sin, Manila's archbishop. Ramos says that he has spoken to Cardinal Sin three times and believes the cardinal will not abandon President Aquino's candidate. Ramos has been endorsed by President Aquino. Cardinal Sin is reportedly supportive of former Chief Justice Marcelo Fernan. It was also reported that Sin advised President Aquino not to endorse any candidate for the presidency.

Meanwhile, the Sumulong faction is set to split from the Struggle of Filipino Democrats [LDP] and will register its own party with the Commission on Elections. Former Defense Secretary Fidel Ramos said the 45-man House block headed by Congressman Francisco Sumulong will join the People's Power Party. The Ramos camp is expecting a huge transfer of LDP members to Ramos' party after the Sumulong group resigns from the party.

On the other hand, Speaker Pro Tempore Antonio Cuenco, a member of the LDP executive committee, said that less than one-third of LDP members will join Ramos.

Aquino Reportedly To Join Support

*HK2701054392 Manila THE CHRONICLE in English
27 Jan 92 pp 1, 4*

[By Redempto Anda and Johanna Son]

[Text] President Aquino will lead a new coalition to support the candidacy of former Defense Secretary Fidel Ramos in the May 11 elections, Rep. Jose de Venecia said yesterday.

Other sources also said Ramos, after being anointed by the President, had also asked her to choose his running mate from four nominees: former Chief Justice Marcelo Fernan, Negros Occidental Gov. Daniel "Bitay" Lacson, Executive Secretary Franklin Drilon and former Agrarian Reform Secretary Miriam Defensor-Santiago.

Meanwhile, the ruling Laban ng Demokratikong Pilipino (LDP), still smarting from the presidential rejection of its standard-bearer Speaker Ramon Mitra, said it was courting new members and political groups, including the Nacionalista Party [NP] wing of Sen. Juan Ponce Enrile. It was, at the same time, trying to prevent defections.

These "defectors" will form part of a broad coalition that "will accommodate multiple political forces from the left-of-center to the right-of-center groups," de Venecia said.

He added they were still firming up the name of the coalition—either Edsa [Epifanio de los Santos Avenue]-LDP wing or LDP II or the Liberal Democratic Party of the Philippines.

Whatever name they agree on, he said, the coalition will be registered today with the Commission on Elections (Comelec).

Sources said the alliance would be composed of Ramos' own Partido Lakas Tao, other major and regional political parties and non-governmental organizations (NGOs) led by Kabisig.

The Ramos camp said the President would announce her choice of Ramos' vice-presidential candidate upon her return from the Asean summit in Singapore.

In a press statement, Ramos said he was still considering Fernan as his "top choice," although Fernan had shown no interest in that arrangement.

Herself a presidential aspirant, Santiago is also expected to reject the offer. Drilon, for his part, has betrayed a lack of self-assurance by saying, if sources are to be believed, there are other stronger choices.

Ramos, interviewed by reporters during a break in a golf tournament sponsored by the Defense Press Corps in Fort Aguinaldo, said a split in the major political parties would take place in the next few weeks.

He explained that the President was moving to consolidate her political forces to organize a "formidable" ticket that "we may call as the grand people's coalition."

The coalition, Ramos added, will field a ticket that not only has a strong chance of winning in the national elections but also carry on with Mrs. Aquino's programs.

At the LDP, Mitra said members were "galvanized into greater solidarity" by the threat from "an outsider seeking to ride on the party's machinery," in obvious reference to Ramos.

The main LDP spokesman, Rep. Hernando Perez, said there was no need to expel party members who supported Ramos like de Venecia and Rep. Francisco Sumulong, the President's uncle, because "they already expelled themselves from the party by their act of disloyalty."

Party leaders said "private talks" were also under way between the LDP and Enrile's NP wing for a coalition.

The LDP is also recruiting members like Senators Ernesto Maceda and Santanina Rasul "to beef up" its senatorial state.

The party already has seven incumbent senators, the highest number under one party.

If the coalition with Mitra's camp pushed through, the NP-Enrile wing convention on Feb. 4 might serve as a party assembly to ratify the alliance with the LDP.

Maceda confirmed he was being invited by several parties following his split with Sen. Joseph Estrada.

Like the other politicians, he said he was watching the effects of President Aquino's endorsement of Ramos on the LDP.

"It (LDP strength) depends on the number of defections. If Mitra is able to do damage control, he would make a positive gain (in losing Mrs. Aquino's endorsement) in that he doesn't have to defend Cory's record," he said.

In contrast, Maceda noted, Ramos would be running a defense election campaign, explaining: "Imagine saying in Mindanao, with its brownouts, that you will continue the policies of the Aquino administration?"

Mitra Disappointed With Endorsement

HK2501083792 Manila Manila Broadcasting Company
DZRH in Tagalog 0800 GMT 25 Jan 92

[Italicized passages in English]

[Text] House Speaker Ramon Mitra Jr. has expressed disappointment over President Aquino's endorsement of

former Defense Secretary Fidel Ramos as the administration's candidate for president. Mitra told the Struggle of Filipino Democrats' (LDP) national electoral congress that he also vied for the president's endorsement, but said this should not be the cause of defeat because he knew that as early as the LDP convention, Malacanang had already supported Ramos. Mitra accepted Ramos as his opponent for the presidency, but belittled Ramos for having no word of honor. Here is part of Mitra's statement:

[Begin recording] *It may not be a good time, but this one will be the best. [applause] I realize that our victory last November 30 was less than complete because my opponent failed to uphold his reputation as an officer and a gentleman. [applause] It would have been better if my opponent had been a gambler betting on a cockfight, who, even if he does not know how to stand up straight or dress nicely, keeps his word.*

On the other hand, the president's endorsement is important, but when we won in the past convention, we did not get an endorsement, but our opponent did. But, should we win in the elections, would Ramos and his supporters accept that? Would his goons respect that? He did not respect the result of our convention. We accepted him in our party and he vowed *before, during, and after the convention* that he would abide by the result. But, in the end, he did not fulfill his promise. [end recording]

Fernan Pursues Bid

HK2601082792 Manila Manila Broadcasting Company
DZRH in Tagalog 0800 GMT

[Italicized passages in English]

[Text] Former Justice Chief Marcelo Fernan, reacting to President Aquino's endorsement of Ramos, said that this is the president's prerogative, but clarified that this will not affect his candidacy. In an interview with Francis Calado in a wedding ceremony at the Santuario de San Antonio in Forbes Park, Fernan said he is pursuing his candidacy for president and will announce his running mate next week. Here is the reaction of Chief Justice Marcelo Fernan:

[Begin recording] [Fernan] *As I have been saying time and again, it is the right and prerogative of a person to make a choice. One enjoys that freedom of choice and so the choice has been made and I guess each one will make his own plans, since President Cory Aquino has already made her choice. As far as I am concerned, it will not affect my candidacy, one way or the other. I will continue to vigorously pursue my quest for the presidency.*

[Calado] Have you chosen a vice presidential candidate?

[Fernan] *Within the next few days, I shall have chosen a running mate and I will announce this within the next few days. [end recording]*

Meanwhile, all the leaders of the Struggle of Filipino Democrats [LDP] were united in expressing the sentiment that they were not only abandoned by President Aquino but were cheated of support and trust. However, they said that her endorsement of former Defense Secretary Fidel Ramos will not result in the weakening of the LDP, but rather would strengthen and unify the party further. In view of this, Senator Neptali Gonzales, the senate and LDP president, called on party members to uphold their oaths to observe the party's regulations:

[Begin Gonzales recording] We did take an oath of membership to submit ourselves to party discipline and to abide by the rule of the majority in our party. If to other members this does not mean anything, it is because they have no self respect. But for us here, the oath of loyalty and support for the party remain alive within our hearts. I hope that you will not attempt to move to various parties, specially to that People's Party, because if this happens, the citizenry will ignore and dump you. [end recording]

Editorial on Political Results

HK2701040192 Manila THE CHRONICLE in English
27 Jan 92 p 4

[Editorial: "Anointment Leads to Weird Political Configuration"]

[Text] President Aquino endorsed Gen. Fidel Ramos for the presidency despite advice by some of her friends, including Cardinal Jaime Sin, to refrain from making an endorsement. In doing so, Mrs. Aquino followed Filipino tradition that presidents had designated their heir apparent for the purpose of conferring political legitimacy and of improving their electoral chances. In declaring her choice last Saturday, the President gave the reason that, among the presidential aspirants, Gen. Ramos was best qualified to ensure continuity of her policies—especially those strengthening democracy.

Now, a number of questions ensue from her decision. Firstly, there was no need for her to declare her choice, but she appeared to have believed that by endorsing Gen. Ramos, she could precipitate a clearer definition of political alignments. What happened after the announcement was that Speaker Ramon Mitra broke his alliance with President Aquino and carried part of the ruling coalition, the LDP [Struggle of Filipino Democrats], with him. This effectively split the LDP, part of which is now going to be the machine of the new coalition being formed around Gen. Ramos.

This split opens the field for new coalitions, with Speaker Mitra and his faction of the party coalescing possibly with the Enrile wing of the Nacionalista Party [NP], or even the Cojuangco wing of the party. In effect, instead of giving the party system a definition, the President's decision has only opened the field to the formation of more improbable configurations.

The second apparent result of the presidential endorsement is that it demonstrates how marginal the President's input is in influencing events. She has failed, first, in keeping Speaker Mitra in the party and to preserve the unity of the party, and, secondly, in persuading the former chief justice, Marcelo Fernan, to be Gen. Ramos' running mate. Mr. Fernan does not want to be defending the President's record.

Speaker Mitra has said the presidential endorsement of Gen. Ramos has freed her [as published] from the record of the President, which means to say that he considers such performance a political stigma. Whether the President's endorsement is a kiss of death or not is a matter of opinion. Gen. Ramos considers it an asset, but he must have to go further than dedicating himself to the cause of strengthening democracy.

Economic recovery and growth is the main issue in this election. Unless General Ramos can demonstrate that he has a sure grasp of how to manage the economy, he cannot be more than a caretaker of a legacy of the Aquino government—i.e., the restoration of democracy. True, he defended democracy and the government from seven coup attempts, but it has to be shown that the economy can grow within the democratic system.

Continuity of the Aquino legacy can also mean continuation of its incompetence. So, General Ramos will soon have to define his platform to distance himself from the flawed performance of the Aquino government, which he successfully defended despite its faults.

In the next few days, the Commission on Elections [Com-elec] will decide which is the legitimate wing of the fractured NP. This decision will help clear the muddled political situation. It will give legitimacy to the faction which will be declared as the rightful party and this pronouncement could help define the ambiguity in the NP.

These developments tell us a few things. The first is that the presidency has only a marginal impact in influencing political events. The second is that the political alignments are going to be determined by other factors, such as the Com-elec, and other social forces. This illustrates how weak the political center has become since the overthrow of the Marcos regime more than five years ago.

Church To Refrain From Endorsing Any Candidate

HK2701053092 Manila MANILA BULLETIN
in English 27 Jan 92 p 8

[By Robert R. Requintina]

[Text] The Catholic Church said yesterday it will not endorse any candidate nor support any party this coming elections, stressing that its duty is only to inform the faithful of the rules on the selection of candidates.

Monsignor Soc Villegas, spokesman for Jaime Cardinal Sin, archbishop of Manila, also reiterated yesterday the

stand of the Cardinal that he will not endorse a presidential candidate in the May 11 polls.

Villegas said that the role of the Catholic Church in election matters is only to enforce the guidelines it issued late last year.

The reaction came following the endorsement by President Aquino of the presidential bid of former defense secretary Fidel Ramos.

Ramos, a protestant, has expressed confidence that he will get the backing of the Roman Catholic Church led by Jaime Cardinal Sin, saying that 86 percent of the people who supported him in surveys are Catholics.

In a statement entitled "Renewing the Political Order," the bishops listed five guidelines governing the selection by Catholics of their bets in the elections.

The bishops said that a candidate 'must have pursued with persistency and consistency the common good.'

"By common good, we mean those common goods which the individual needs but cannot assure for himself such as the integrity of our environment, peace and order, defense of human rights and a dynamic economy," the letter said.

The new breed of politicians, they said, must be described as those imbued with common moral courage to transcend their vested interests.

They said that the politicians must not utilize their positions to pave the way for nepotism and graft and corruption.

"We call for pro-people politicians who are not self-centered, who can work together with a team in order to draw up programs for eliminating injustices which have become embedded within our political system," the bishops said.

Thailand

Government To Offer CIS Food Aid, Loans

BK2501024592 Bangkok BANGKOK POST in English
25 Jan 92 p 6

[By Ponphimon Kanchanalak in Washington, D.C.]

[Text] The Commonwealth of Independent States (CIS) or the former Soviet Union may receive more than \$200 million in aid from Thailand in the form of food assistance food credits and credit guarantees, as well as technical assistance starting Fiscal Year 1992.

The proposal was made on behalf of the Thai Government by M.R. Kasemsamoson Kasemsi, minister attached to the Office of Prime Minister and head of the Thai delegation to the Coordinating Conference on Assistance to the New Independent States in Washington.

The two-day conference initiated by Secretary of State James Baker, was the first of a series of meetings on international assistance to the CIS.

The conference was attended by representatives from 47 nations and international financial institutions, including the World Bank, the International Monetary Fund and the European Bank for Reconstruction and Development.

All six ASEAN countries were present at the meeting.

Under the proposal, Thailand will provide the following assistance to the CIS.

- \$500,000 worth of grant aid toward the purchase of Thai products including food or other commodities;
- Up to a \$150 million short-term, low-interest rate line of credit to be extended by government-owned banks such as the Krung Thai Bank and the Bank of Thailand with a two-year grace period. The line of credit will be used to purchase Thai rice;
- About \$50 million export packing credit for any kind of Thai products that the independent states want to purchase;
- Technical assistance, particularly in the area of agriculture and agriculture-based industries.

The Thai offer of assistance was the first commitment made by any developing nation at the conference.

The proposal, in effect, broke the ice enabling other developing countries to follow.

The proposal is still preliminary in nature and details of the arrangement will have to be further discussed and worked out both by Thailand and the republics.

The Thai ambassador to the Russian Republic, Kasit Phirom, who also attended the aid conference in Washington, will go over the offer with representatives of the independent states in Minsk next week.

M.R. Kasemsamoson told the BANGKOK POST in Washington that the offer was made to support the development of the democratic process as well as to promote market economies in the 12 republics of the CIS.

"The food assistance and food credits are in response to the tremendous human suffering currently facing the independent states.

"They are short-term and humanitarian measures. The technical assistance is to address a longer-term aspect of development.

"There is a Chinese proverb that if you give a hungry man a fish, it will satisfy his hunger for today, and he will be hungry again tomorrow. But if you teach the man how to fish, he will not be hungry again," said the minister.

He said the assistance is one dividend of the disappearance of the cold war which over the years had been quite costly to the Thai and many other governments in terms of military expenditure.

In making the assistance offer at the plenary session, M.R. Kasemsamoson told the gathering that Thailand's contribution will not be "a lone bang."

"We have to recognise our own status and the fact that we must have responsibilities for our own region.

"But we believe in what the United States has initiated for the independent states," said M.R. Kasemsamoson.

Prime Minister Anan Panyarachun had discussed the CIS assistance with President George Bush when the Prime Minister visited Washington in December.

The Thai Prime Minister told President Bush at that time Thailand supports the American initiative.

President Bush at the opening of the conference told the meeting he had asked Congress to provide additional humanitarian-technical assistance of \$645 million for the former Soviet Union.

CIS Contracts To Buy 500,000 Tonnes of Rice

*BK2801072692 Bangkok THAI RAT in Thai
28 Jan 92 p 7*

[Text] Nippon Wongtra-ngan, president of the Thai Rice Millers Association, reported that the Government of the Commonwealth of Independent States has signed a contract with Thai authorities to buy 500,000 tonnes of 25 percent rice from Thailand at U.S. \$275 per tonne.

The first shipment will be 300,000 tonnes. The rest, meanwhile, will be shipped to Russia in the third quarter of this year.

NSC Chief on Weapons Deal Impact on Military

*BK2701090592 Bangkok ZHONG HUA RIBAO
in Chinese 25 Jan 92 p 4*

[Text] General Charan Kunlawanit, secretary general of the National Security Council [NSC], granted an interview to reporters before attending a meeting of the National Legislative Assembly yesterday. Asked whether or not the Air Force's plan to buy fighters from Italy must be considered by the NSC, he said that this issue was considered by the Air Force before being submitted to the Defense Ministry for examination. It will then be considered by the National Security Screening Committee. The NSC only takes up a duty of secretary for the National Screening Committee by including it in the agenda of the meeting of the committee.

Regarding recent criticisms over the military's purchases of Chinese weapons, the NSC secretary general said that according to the military's weapon purchase procedure, any purchase plan has to be submitted to the Supreme Command Headquarters. After an endorsement by the

Defense Ministry, the purchase plan will be finally forwarded to the cabinet for consideration step by step.

The cause of recent comments over the Chinese weapons came from England because it wants to sell its weapons. However, buying weapons depends on the buyers' need. The Thai military has no objections over the Chinese weapons.

Asked whether or not this issue will be used by politicians to attack the others during their election campaigning, The NSC security general said that people can make any comments under the democratic system. However, the listeners will use their wisdom in making a judgment. This issue does not have any adverse impact on the military.

Indian Envoy Views Trade, Technical Cooperation

*BK2801025192 Bangkok THE NATION in English
28 Jan 92 p A7*

[Excerpts of undated message to Thailand from Indian Ambassador to Thailand Vinay Verma on the occasion of the 43d Republic Day of India]

[Excerpts] Today India celebrates its 43d Republic Day. On this auspicious and joyous occasion, I have the honour to extend the greetings and best wishes of the Government and people of India to the Government and people of Thailand. I also extend my greetings to the members of the Indian community in Thailand. [passage omitted]

In the political sphere, Thailand and India have been consulting closely with each other on bilateral and regional issues. Regular consultations at the level of high officials of the two Ministries of Foreign Affairs are held. Both countries also share similar views on many major issues and cooperate closely in the international fora.

Bilateral trade between our two countries has demonstrated a significant increase of over five times from approximately Bt [bhat] 2.8 billion in 1986 to Bt15.5 billion in 1990. At the first Joint Commission meeting in Bangkok in May 1989, we had set ourselves the ambitious target of attaining an annual trade turnover of Bt25 billion or US\$1 billion within three years. According to the latest trade statistics, the total trade turnover during the period January-September, 1992 has already touched Bt20.29 billion. Hence, the target of Bt25 billion appears within close reach. This achievement, made possible by the concerted efforts of Thai and Indian businessmen and entrepreneurs, encourages us to further develop the trade potential.

Apart from trade, Thai investments in India, specially with the liberalization of the Indian economy, could prove to be a promising sector in our bilateral links. Such investment would contribute significantly towards the further consolidation of our strong economic and commercial ties.

India has also invested in Thailand and 15 Indo-Thai ventures, in diverse fields, such as textiles, dyestuffs, machineries, hand tools, wire ropes, synthetic fibre and yarn, carbon black, silicon sleeves, pulp and paper, pharmaceutical and civil construction, etc. are functioning well.

Cooperation between our two countries in the field of science and technology rests on solid foundations. The ongoing work programme between the Thailand Institute of Scientific and Technological Research (TISTR) and the Council of Scientific and Industrial Research (CSIR) of India was renewed for a further period of two years at a Joint Committee meeting held in Bangkok in November, 1990. The Electronics Design Laboratory (EDL) established at the Chulalongkon University, with the Government of India's assistance, is functioning to our entire satisfaction.

Thailand and India are also cooperating in the fields of industrial projects and exchange of technology. The Oil and Natural Gas Commission of India conducted a seismological study of the natural gas reserves in the offshore "B" structure area in the Gulf of Thailand for the Petroleum Authority of Thailand. An Indian company is currently executing a contract for heavy material handling for the Electricity Generating Authority of Thailand (EGAT) in the Mae Moh lignite project. [passage omitted]

Ties binding India and Thailand are deep rooted and so are cultural and religious affinities. These provide an excellent basis for further development of friendship and cooperation between Thailand and India. It will be our constant endeavour to consolidate these ties and to build upon them for the mutual benefit of our two countries and peoples. We look forward, with confidence, to a rapid development of the excellent relations which exist between Thailand and India.

Trade Deficit With ASEAN Partners Reported

BK2501100892 Bangkok Radio Thailand Network in English 0000 GMT 25 Jan 92

[Text] Thailand has suffered a deficit in her balance of trade with other ASEAN trading partners, according to the Department of Foreign Trade, Ministry of Commerce. The department said in 1990 Thai exports to ASEAN countries namely Indonesia, Malaysia, the Philippines, and Singapore, under the ASEAN preferential trading arrangements, were less than imports from those countries. During the period, Thailand suffered a deficit of 42 million U.S. dollars compared to 17 million U.S. dollars in 1989.

Major Thai exports to ASEAN countries under the eight ASEAN preferential trading arrangements are maize, canned food, zinc, and men's cotton trousers. Thailand mainly imports from those countries copper wire, iron, and steel.

Paper Calls for ASEAN Change on Burma

BK2601043292 Bangkok THE NATION in English 26 Jan 92 p B3

[Editorial: "Asean Should Now Think Twice About Burma"]

[Text] The Rangoon government's repressive campaign against its Muslim minority in the western state of Arakan and the related attack by Burmese soldiers on a Bangladeshi border outpost last month should make all in this region stop and consider what a security threat the neighbouring country has become. Recent events should also make Asean think twice before preparing to woo Burma into acceding to the Bali Treaty of Amity and Cooperation in Southeast Asia, at least while the present regime is in power.

Up until recently, the chaos and oppression within Burma only seemed to be a threat to those inside the country and a few unlucky Thai villages who found themselves in the middle of fights between Rangoon soldiers and ethnic insurgents near the border. The Dec 21 attack on the Bangladeshi border, however, has made it clear that the confused, brutal mindset of the Rangoon leaders makes them a potential security threat to South as well as Southeast Asia.

Dhaka responded to the attack by putting its navy and air force on full alert, while Burma has reportedly deployed over 75,000 troops on its western border.

The attack, which left dead four Bangladeshis (a soldier and three civilians), was doubly embarrassing for Burma as it came less than a month after Bangladeshi Foreign Minister Mustafizur Rahman visited Rangoon to improve ties. Relations were already strained as tens of thousands of Burmese Muslims, known as Rohingyas, had fled into Bangladesh since the beginning of the year to escape what they said was a systematic campaign of persecution. The number of refugees taking shelter in Bangladesh may now be as high as 60,000, up from less than 10,000 at the beginning of 1991.

The Rangoon government, for its part, claims the incident was the result of a campaign of "terrorism" by insurgents on its Western border, and that it has a legitimate right to take military action. The Burmese Foreign Ministry, in a news bulletin dated Jan 16, admitted that "some people" had fled Arakan, but claims that those who left were of "uncertain status" and had left because of "routine immigration checks". It also stated that press reports of tension on the border were exaggerated and unsubstantiated, and "aimed at driving a wedge and creating misunderstanding between (Burma and Bangladesh)".

It is true that the Rohingyas have set up an armed force, the Rohingya Solidarity Organization (RSO), which claims to have formed 12 jungle camps along the Bangladeshi border. The first clashes between the RSO and Rangoon forces were reported in November. What

seems obvious, however, is that the Burmese Muslims resorted to armed struggle only after a long and unrelenting campaign against them. The same press bulletin from Rangoon states that "at the present time, the Government of the Union of Myanmar (Burma) is systematically eradicating the various groups of insurgents in order to bring about peace, tranquility and development of the country." The first part of the sentence is as true as the second part is deceptive.

The Rohingyas, like other minorities in Burma before them, have been subject to a "Burmanization" programme so fierce that it means nothing less than an attempt to destroy their local culture. On top of this are regular reports of detention on flimsy charges and torture, as well as an apparent attempt by the Burmese army to use Rohingyas as "human shields" in their campaign against insurgents. There have also been unconfirmed reports in the Bangladeshi press of around 3,000 Burmese Muslims being detained in packed storehouses over the past 10 days, of whom up to 1,000 are said to have died of suffocation.

Although Rangoon has rejected the charges as lies, confirmation of the "concentration camp" reports would not come as a surprise given the junta's past record of mistreatment of dissidents and its brutal suppression of the 1988 democracy uprising.

What does all this mean in terms of cold geo-politics? Asean has made it clear that it is not overly concerned about human rights, but it certainly should be concerned about a permanently unstable situation on both of Burma's borders. There is also the possibility of unrestrained hostilities between Burma and Bangladesh. Although both sides are expected to meet on Jan 28 for another round of talks on repatriation of the refugees, Burma's actions so far have been marked by intransigence and have done nothing to defuse the situation. Rangoon has even refused to return weapons seized during the December raid or pay compensation for the Bangladeshis killed.

Meanwhile, international pressure on Burma is coming from a new front. In response to the most recent news about the Rohingyas, the Indonesia committee of Muslim Solidarity released a statement attacking Rangoon and comparing its treatment of its Muslims to the Nazi persecution of the Jews. The committee also called for a UN investigation into the situation. We should be thankful that someone is taking note of the Rohingyas' plight—the most recent reports indicate that 80 per cent of the Muslims in the Bangladeshi refugee camps are suffering from malnutrition.

Given their Muslim populations, it is unlikely that Malaysia and Indonesia will continue to feel comfortable with the present Asean position of staying engaged with the Rangoon regime, particularly if the persecution of the Rohingyas continues, or if there are more attacks on Bangladesh. Indeed, it may be Muslim pressure that finally makes Asean wake up and realize that Rangoon is

not the kind of good neighbour that should join the Bali Treaty, or makes Malaysia recognize that Burma may not be the best participant in its proposed East Asia Economic Caucus (EAEC).

If Rangoon is isolated from the regional mainstream because of its practices, Asean will only be doing what it should have done long ago. As things stand, it is only a matter of time before the regional grouping's policy of "constructive engagement" becomes even more of a colossal embarrassment than it is already. There is nothing conceivable that can be gained by further cooperation with a government that is going to continue to subvert geo-political stability, commit ethnocide against minorities it is supposed to protect, and generally act as a poisonous thorn in the body of the region.

Prospects for Greater ASEAN Cooperation Viewed

*BK2701032592 Bangkok THE NATION in English
27 Jan 92 p A8*

[Editorial: "1992: Chance for ASEAN to Transform Itself"]

[Text] ASEAN's fourth summit begins today in Singapore in the midst of new global realities. The Soviet empire is no more and Eastern Europe is free. The Soviet Union has disintegrated and a loose commonwealth of doubtful stability is taking shape. Cold War tensions have been wound down in Asia and the Cambodian conflict has been settled.

With these new geo-political realities, there will be a considerable amount of pressure for ASEAN to act as a single coherent unit and the Fourth Summit is a substantial test of the regional grouping's present and future relevance.

It is presently true that the individualistic styles of the governments of the ASEAN Six by their very nature have taken precedence over regional cooperation and have thus been responsible for the limited degree of regional integration achieved to date. This sublimation and feeble efforts at cross-culture fertilization have resulted in weaker intra-ASEAN ties at the grassroots level.

Within ASEAN itself, and particularly in official circles, there exist two viewpoints when it comes to assessing the current level of cooperation that exists, even as both schools of thought continue to strive for greater integration. On one side there is a tendency to overestimate the problems that exist and ascribe to them an importance that makes these problems a permanent barrier to closer cooperation. Others however feel that the political will to foster more economic cooperation is lacking, and that the existing imbalances serve as a handy excuse against liberating trade within the group.

There is no denying that there are historical, cultural, legal and ethnic differences among the 325 million people in the

six member states and the absence of close inter-relationships certainly did not begin in this century. It existed long before ASEAN was established in 1967.

With relatively low-cost labour and abundant natural resources, ASEAN countries have attracted a wave of capital and investments from the United States, Japan, Western Europe and other newly-industrialized Asian nations. This has helped to generate an average rate of economic expansion in ASEAN of about 8 per cent a year during the 1980s.

While the value of intra-ASEAN trade increased to US\$25.3 billion in 1990 from US\$12.9 billion in 1989, it is a far cry from the rise in ASEAN trade with the rest of the world, which totalled US\$268 billion in 1990. As a proportion of the group's total trade, intra-ASEAN business stood at around 20 per cent in 1990, little changed from a decade earlier.

Lately however, ASEAN has felt insecure. The single European Community market that will exist in 1992, along with the free trade agreement that would bring together the United States, Canada and Mexico is threatening to draw investment away from ASEAN.

With this Fourth Summit, ASEAN is compelled to forge a common market by creating an ASEAN Free Trade Area (AFTA), first proposed by Thai Prime Minister Anan Panyarachun early last year. Last October, ASEAN economic ministers reached a compromise in which they agreed to endorse the creation of AFTA over 15 years. At the same time, the ministers adopted an Indonesian proposal to begin the process of trade liberalization with a programme known as Common Effective Preferential Tariffs (CEPT), to serve as the tariff-cutting machinery to achieve AFTA. The programme calls for ASEAN countries to harmonize and then steadily reduce intra-ASEAN tariff rates on manufactured goods on a sector-by-sector basis.

A niggling problem at the summit will be Malaysian Prime Minister Mahathir Mohamad's East Asian Economic Caucus (EAEC) proposal. Some ASEAN leaders, in particular Indonesia's President Suharto, feel that the EAEC has confrontational overtones as it seeks to exclude the United States and other Western countries. Mahathir claims that the EAEC would serve as a global lobby for Asian interests and has vowed to defend it to the hilt at the summit.

Under no circumstances will other ASEAN leaders allow the EAEC to be a summit-spoiler. At the most, as a face-saving gesture for Mahathir, it would be agreed that the caucus would be reformulated to place it under the existing Asia Pacific Economic Cooperation forum or APEC which includes the United States, Canada, Australia, New Zealand as well as ASEAN members and other Asian states.

On the political and diplomatic fronts, the Fourth ASEAN summit will approve formal offers from Vietnam and Laos to sign the 1976 Treaty of Amity and

Cooperation later this year. Many see this as a first step towards a greater Southeast Asian regional grouping that also includes Cambodia. Also in view of new global security arrangements, ASEAN leaders will adopt the group's 20-year declaration calling for a zone of peace, freedom and neutrality (ZOPFAN) in Southeast Asia.

The Fourth ASEAN Summit will not be a washout, unlike the 1987 Manila Summit which was held amidst coup threats against President Corazon Aquino.

This year presents ASEAN an opportunity to transform itself into an effective framework for regional economic and security cooperation.

This is the perfect chance for the six ASEAN leaders to dispel criticism that the regional grouping is a lame body which only agrees to subscribe to views arrived at through broad consensus.

Commentary Pushes for Review of New Libel Laws

*BK2801011792 Bangkok BANGKOK POST in English
28 Jan 92 p 4*

[Commentary: "New Libel Laws in Need of Review"]

[Text] More than a few of the laws on our books are outdated and require freshening. But the affair of the updated libel laws is a most curious one. The sudden appearance of the new laws, and their quick passage through the appointed and interim National Legislative Assembly [NLA] without significant debate were almost without match in parliamentary efficiency. It is understandable that some believe the new laws are meant as a "back door effort" to regain some control over Thai media, this time through economic fear.

It is difficult, however, for most Thais to comment with authority on the new libel laws because of their unusual history. Only a tiny handful of people have actually seen the laws. They were prepared in secret inside the Interior Ministry over an unknown period. Then, in rapid succession beginning last Thursday afternoon, they were made public, presented and passed through the NLA virtually without debate on Friday, and first publicised in any detail on Saturday by surprised newspapers and other media.

Deputy Prime Minister Michai Ruchuphan, a sponsor of the fast-moving NLA action, has explained that the new libel laws will increase by 20 times the amount of possible damages payable by anyone found guilty of libel. In addition, prison terms for those violating the law have been increased to two years. Pressed by reporters when he presented some details of the new law last week, Mr Michai denied they were aimed at stifling freedom of the press. Some 24 hours later, with no dissenting debate, the new laws had been passed through three rapid readings in the NLA, and were on their way towards official publication.

Swift movement by parliament is generally welcome in emergencies. But the only emergency on the horizon in this case is the upcoming election. Some have argued that it is possible candidates may slander their opponents during the heat of campaigning. This could turn into libel when such slanders are reported—or misreported—by the media. This argument would have some weight if there was a history in Thailand of such misuse of freedom of speech by candidates and the Press. There might have been some cases of intentional violation, but memory brings back no serious examples that caused lasting harm that could not be settled in or out of court.

Thus, it is correct to question the motivation for the exceptionally fast passage of the new libel law. The suspicious believe it is a case of authorities trying to reinstitute the detested Decree 42. This revolutionary decree was finally disposed of early last year as one of the last acts of the former government, although only after a concerted campaign of common sense by a wide part of the media and intellectual community. Decree 42 was an outdated and out-of-touch attempt by authority to cling to the notion that appointed officials should have a direct control in all information disseminated to the public.

The fear over the new libel laws is well-founded. Every publisher and editor must now put his personal freedom on the line each time he or she writes or prints a report. Many of our fledgling and non-mainstream media members will be unable to pay the massive fines envisioned by the new law without going bankrupt. Worse still, the heavy penalties under new laws could well inhibit reporting on the events of the elected Parliament itself. Simply by reporting what a Member of Parliament says in public debate could (potentially) land an editor in prison, and wreak financial havoc on his publication.

So little is known of the new libel laws thus far that we cannot even judge the motives of those who wrote them and sailed them through the NLA session last Friday. As a matter of principle, press freedom should be accompanied with a decent degree of responsibility and irresponsible members of the Press do indeed deserve stiffer penalties in the face of greater responsibility alongside greater freedom. But at first glance the new penalties appear too harsh and not well thought out. The government and NLA should not have rushed these laws through the NLA in 24 hours, without comment or debate by experts and those who will be affected by them.

Officers Differ Over Suchinda's Future

BK2601011892 Bangkok THE NATION in English
26 Jan 92 p A1

[Text] A sharp difference of opinion emerged yesterday among senior military officers over the call by Air Force Chief ACM [Air Chief Marshal] Kaset Rotchananin for Supreme Commander Gen Suchinda Khraprayun to become the next prime minister should he be nominated.

Two army generals yesterday disagreed with Kaset's position, while an army colonel said on a TV talk show that Gen Suchinda had the trust and confidence of the rank and file in the Armed Forces for his "intelligence, farsightedness, integrity, adherence to national interests and other leadership qualities."

But opposed were Assistant Army Commander-in-Chief Gen San Sripen and Gen Chamlaeng Uchukomon, who is spokesman of the National Peace Keeping Council (NPKC). The colonel supporting the call was Chamlaeng's deputy at the NPKC, Banchon Chawansin, who participated in Mung Tang Mum (Looking from Different Perspectives) talk show which will be on air tonight on Channel 11.

In an interview yesterday, Chamlaeng, who was a classmate of Suchinda's at Chulachomklao Military Academy, said that the call for the supreme commander to accept the premiership was premature and a ploy to pressure him to resign from the military before his scheduled retirement in October next year.

"They want the supreme commander to resign only to stick out his neck," he said.

In an apparent response to Kaset's remarks, Chamlaeng said: "There are no permanent friends and foes in politics. Take relations between ACM Kaset and former Premier Gen Chatchai Chunhawan as an example.

"It was ACM Kaset who ordered the hijacking of Chatchai's plane to stage the Feb 23 coup. But last Friday night Gen Chatchai took the stage at a wedding ceremony for Kaset's daughter to give the bridal couple his best wishes," Chamlaeng said.

Chamlaeng's comments yesterday echoed those of Gen San Sripen, who is also a Chulachomklao Military Academy Class Five officer.

"Is it so difficult to find a prime minister in this country that a military leader has to be nominated?" he said in a separate interview.

San also said that the next prime minister should be an "economist" rather than a security officer because economic issues are now on top of the agenda of the country's problems.

Chamlaeng yesterday also expressed apprehension that if Suchinda gave up his top military posts, including the powerful position of army commander-in-chief, he would end up becoming powerless like his predecessors who had entered politics.

"Why push for my boss's resignation," asked Chamlaeng. "We are already happy with him staying with us in the Armed Forces. How many of my bosses (former army chiefs) have been pushed out ... and see what has happened to them.

"How many of them have had their throats cut (politically destroyed) for that matter? Now they're going to do the same thing to my current boss."

He said Suchinda should stay on until his retirement, after which he would be in a better position to make his own decision on whether to get into politics.

Air Force chief ACM Kaset had said on Thursday that Suchinda was the "most suitable person" to fill the top executive post, despite the junta leader's persistent rejection of the proposal.

"As a friend, I wish I could help make Gen Suchinda the (next) prime minister," said Kaset, adding that he did not know how Suchinda could refuse the offer when the national interest was at stake.

"Supposing Gen Suchinda was successful in bringing wider prosperity to the people, we would be happy. But if he failed as prime minister, then we should help to bring him down."

Suchinda, asked to comment on Kaset's backing him as the next premeir, replied: "Could you (the reporters) convey my thanks to my dear friend, the air force chief."

Chamlaeng also said that support by political parties for Gen Suchinda to become the next prime minister is based on "groundless" fears that the supreme commander would not assume a neutral position in the March 22 general election.

"They want to neutralize the supreme commander by floating the idea because their aim now is to compete against one another to try to garner as many seats in the House as possible," he said.

Chamlaeng said that nobody could predict who would be the prime minister.

"Gen Suchinda has said that nobody, not even the best astrologer can make a correct prediction," he said.

The question would not be resolved until the election was over and the results were known.

If a political party swept 100-200 House seats, it would not live up to its word to support Gen Suchinda. In such a scenario, the party would nominate its own leader, he added.

Meanwhile, Assistant Army Commander-in-Chief Gen San said he was surprised at the number of people who expected a military leader to become the next prime minister.

"In the past, people expected that (former Army chiefs) Gen Athit Kamlang-ek and Gen Chawalit Yongchaiyut would become prime minister, and again, they expect Gen Suchinda to become premier," he said.

The general said there were many people qualified to become the nation's top executive, and that the real candidate would emerge when the time came.

Citing the case of Prime Minister Anan Panyarachun, San said that the public had not really known him, or that he was very competent. But Suchinda found that he was well qualified for the post, he added.

"Gen Suchinda has been insistent that he would not accept the premiership and he really means it. He's not the kind of person who says one thing and does another," San said.

He added that although Suchinda was qualified to be prime minister, he wanted him to continue serving as armed forces chief because he can help to maintain stability in the country. In his present capacity, Suchinda could also contribute to the public interest by strengthening political stability, he said.

Col Banchon, answering a question on the television show of whether Suchinda was qualified for the top executive post, said that the rank and file in the Armed Forces had full confidence and trust in Suchinda.

"I see him as an intelligent leader with vision and sincerity to solve national problems on the basis of the people's interests. His farsightedness can be seen from his attempts to reduce the size of the Armed Forces and privatize some of the military affairs. He is also a democratic soldier. In addition, he is an honest man with the guts to make decisions," he said.

But Chawan stopped short of saying he was supporting Gen Suchinda as a candidate for the top executive post.

"I did not say I was backing him for that job but I would leave it to you to make your own judgement," Chawan told Dr Choemsak Pinthong, who moderated the panel discussion which also involved Phalang Tham leader Maj Gen Chamlong Srimuang and Dr Surakiat Sathirathai, who was Gen Chatchai's policy adviser.

Surakiat commented that the ideal scenario was for the country to be run by an elected prime minister.

But he said that the ideal goal could not be achieved because of the "realities in Thailand".

Gen Suchinda said he would not mind if the Army was asked to provide a task force to help police oversee the upcoming general election.

Suchinda said the matter was the responsibility of the police, but the military would help according to its capability.

There were reports that Police Department director general Pol Gen Sawat Amonwiwat had indicated he would ask the military to help oversee the March 22 general election.

Former NAP Head Predicts Extensive Vote Buying

BK2601015092 Bangkok THE NATION in English
26 Jan 92 p A1

[Text] Former leading figure of the New Aspiration Party [NAP] Sqn Ldr [Squadron Leader] Prasong Sunsiri yesterday predicted that vote buying would be more widespread in the upcoming general election than in any previous poll.

Prasong, who recently quit the NAP after a bitter conflict with the new secretary general Phisan Munsatsathon, painted a pessimistic picture of Thai politics after the March 22 general election at a panel discussion organized by the Chandra Kasem Teachers' College at the Asia Hotel.

The former secretary general to the premier, Prasong said Gen Prem Tinsulanon, who was his superior previously, tried to promote fairer distribution of income for the people when he was in power. But under the rule of the National Peacekeeping Council (NPKC), politics once again had become a game to serve the interests of the elite.

"And I believe that after the election, nothing will improve in this area," he said.

Disillusioned with the NAP, Prasong said that the poor could not rely on political parties and the bureaucracy at present.

As a result, the grassroots would continue to count on the influence of local tycoons, he said.

He said that he was sure that more money would be dumped in the upcoming poll than in any of the past elections.

"I am saying this with confidence because the politicians ruled guilty by the Assets Examination Committee for acquiring ill-gotten wealth would seek to regain their political power at any cost. They must struggle to form the new government and therefore they must back their candidates with as much money as possible to ensure they get elected," he said.

In an interview after the panel discussion, Prasong said that he had suspended his political affiliations with all parties and would not run in the March 22 poll. He also dismissed speculation that he would be a candidate for the Bangkok governorship.

"But I will actively participate in every political discussion at any political forum. I will not reject any invitation from any party with the exception of the NAP," he said.

At the panel discussion, Dr Suchit Bunbongkarn, dean of Chulalongkorn University's Political Science Faculty, concurred that the coup and the subsequent NPKC rule had failed to improve the quality of Thai politics.

"In the near future, privileged political and business groups will continue to dominate Thai politics. Political power after the election will be shared by various parties while the bureaucracy and the Armed Forces would play a vital role through the Senate in controlling the administration," he said.

Suchit said it still could not be predicted whether the next prime minister would be an MP or an outsider. "And I am not sure which scenario will be better," he said.

At the same panel discussion, Kroekkrai Phipatseritham, former rector of Thammasat University, commented that the next prime minister must have enough appeal to the international community because the Thai economic system had become intertwined with the global one and its development would be determined by foreign countries' attitude towards the Thai political system.

To win such international recognition, the prime minister must be an elected MP, he said.

The academic, who is also sitting in the National Assembly, expressed concern over rosy predictions that the economic growth of Thailand would continue after the election.

Despite the eight-per cent economic growth predicted for this year, the country's wealth was not equitably distributed among the people, he said. He added that only the handful of "millionaires and businessmen" were enjoying the benefits of economic growth.

Vietnam

Do Muoi Attends Hanoi War Veterans Congress

BK2401114992 Hanoi Voice of Vietnam Network
in Vietnamese 2330 GMT 20 Jan 92

[Report by Nguyen Anh Trinh on the first congress of the Hanoi War Veterans Association]

[Text] Dear comrades and friends: It was not by accident that the Hanoi War Veterans Association provisional executive committee chose the Ho Chi Minh Museum—which is located next to the Ho Chi Minh Mausoleum—as a venue for the first congress of the association's deputies.

The reason is, as Brother Ta Nhu Don—a veteran member of the former Vanguard Army and also a member of the organizing committee—put it, the museum served as the right place for nearly 200 outstanding delegates representing some 180,000 members of the Hanoi War Veterans Association to meet and report to Uncle Ho. In the past, after having been properly cared for and trained by the party and President Ho Chi Minh, the war veterans regarded themselves as Uncle Ho's sons and daughters and were willing to sacrifice themselves for the fatherland's survival. After having undergone many years of fierce fighting and

becoming a source of pride for the army and people in the capital city of Hanoi, they have now resumed normal everyday activities. They remain unswervingly loyal to the socialist revolutionary cause chosen by the party and Uncle Ho and continue to attach importance to the task of building Hanoi into a bigger and more beautiful capital city to meet Uncle Ho's long-cherished desire. In this way, they thus help the capital city of Hanoi to keep pace with development within the current comprehensive national renovation work.

Indeed, since its inception, which occurred only two years ago when much work remained to be done because everything was so new and difficult, the Hanoi War Veterans Association has proven itself to be a truly revolutionary organization, generating greater strength for the municipal party organization and serving as a link between the contingent of Uncle Ho's soldiers in city wards, villages, city blocks, and grass-roots establishments and the various local party installations. As a result, the association has created more strength for local party organizations and people to make Hanoi deserve the position as the capital of the Socialist Republic of Vietnam as well as the love and trust that compatriots and combatants nationwide have reserved for it.

Tens of thousands of its members have actively participated in political and social activities, have adopted an unassuming, positive attitude toward other organizations and agencies, have wholeheartedly assisted one another in the movement to preserve and develop the quality of Uncle Ho's soldiers, have helped with the education of the young generation, and have exemplarily fulfilled their duties and responsibilities as citizens and war veterans.

Many grass-roots organizations have helped war veterans look for jobs to increase their family income, have organized cordial visits to the sick, have made adequate arrangements for the burial of the dead, and have promoted the spirit of mutual assistance in time of need. Particularly, between late 1990 and mid-1991, the association actively solicited its members' suggestions to the draft documents of party organization congresses at all levels.

Motivated by a high sense of responsibility, everyone has participated in the anti-negativism campaign, has contributed to firmly maintaining political security and social order and safety, and has attached importance to the need to preserve unity among the people. The association has helped settle many difficult and complicated cases of housing allocation complaints or land disputes, using sensible and reasonable solutions to make people reach compromises and respect the law, thus preserving good neighborliness, and so forth.

Maybe this is the very reason why since its inception, the Hanoi War Veterans Association has received wholehearted support and assistance from the central down to the grass-roots levels. The presence of Comrade General Secretary Do Muoi; Comrade Pham The Duyet, member

of the Political Bureau and secretary of the Hanoi municipal party committee; Comrade General Vo Nguyen Giap; Comrade General Van Tien Dung; Comrade Senior Lieutenant General Nguyen Nam Khanh; Comrade Senior Lieutenant General Song Hao; and all comrade secretaries, chairmen, and directors of the various departments and sectors in nine districts and towns speaks for itself.

The comrade secretary of the municipal party committee spent the entire two days listening to every opinion contributed by delegates from the grass roots. The comrade then presented his views, saying:

[Begin Pham The Duyet recording] Founded less than two years ago, the capital War Veterans Association has done many things to contribute to the building of the capital. After this congress, I believe that the official executive committee will have the conditions to overcome all difficulties encountered and successfully develop the activities of the association so it can become more steadfast.

Over the past years, the Hanoi municipal party committee and people's committee, and other mass organizations have made contributions to the building, organization, and activities of the association. Shortcomings have, however, been unavoidable as they have existed in certain domains [words indistinct]. I hope that you comrades will be able to contribute to building a pleasant-looking, and more beautiful capital as expected by Uncle Ho [words indistinct]. [end recording]

As a comrade-in-arms still on active duty who has spent many years helping consolidate national defense and building the army into a steadfast one which is well trained politically and ideologically, Senior Lieutenant General Nguyen Nam Khanh, member of the party Central Committee and deputy head of the Political General Department—who spoke on behalf of the Ministry of National Defense and the General Political Department—contributed his views as follows:

[Begin Nguyen Nam Khanh recording] [Words indistinct] I hope that you comrades will help turn our capital into a civilized and wholesome city [words indistinct]. [end recording]

Dear friends: The conference hall of the Ho Chi Minh Museum, where the first congress of the Hanoi Municipal War Invalids Association took place, became more vivid when Comrade General Secretary Do Muoi, our party's highest leader, came to attend and cordially address the delegates. Many veteran revolutionaries who started their careers after the time when the party was founded as well as those participating comrades who were fighters of the Red Guards, the Salvation Army, the Vietnam Propaganda Liberation Army, the Ba To Guerrillas, and the Hoang Dieu Fort found General Secretary Do Muoi to remain modest, simple, and friendly to the masses as ever—just as before when he was a political commissar.

During his informal talks, the comrade general secretary spent a great deal of time analyzing recent developments in the national and international situations while warmly citing those work achievements scored by the Hanoi War Veterans Association over the past two years. He contributed his views on the orientations and tasks to be carried out by the association's executive committee in its next term of office. Comrade General Secretary Do Muoi finally said:

[Begin Do Muoi recording] I would like to have a few words with you, members of the executive committee of the War Veterans Association. First I hope that you, all war veterans throughout the country including those in the capital, will continue to maintain your fine character as Uncle Ho's soldiers and develop the traditions of the heroic Vietnamese People's Army—an army which comes from the people, which serves the people, which is loyal to the country and faithful to the people, and which can overcome all difficulties, fulfill all assigned missions, and defeat all enemies. I hope that you comrades will help pass on these traditions to the younger generations—those who will take up the revolutionary undertaking of our party and people—so they can follow and deserve being the sons of an heroic nation and people and can strive to satisfactorily perform their revolutionary tasks in this new stage and the ensuing ones.

You comrades should remain closely united to help one another in your everyday life and in fulfilling the obligations assigned to you by the party. You comrades should make your worthy contributions to the renovation undertaking, maintain political stability, and deliver our country from poverty and backwardness so it can continue to develop and successfully build socialism, and to make the people prosperous and the country powerful.

I wish you comrades good health, happiness, and longevity. [end recording]

After two days of intensive and scrupulous work reflective of a high sense of responsibility as a newly formed revolutionary organization, the first congress of delegates of the Hanoi Municipal War Veterans Association concluded with fine successes. The congress elected a 25-member official executive committee of the association and nominated a delegation to attend the forthcoming national congress of war veterans associations.

Conference on Publishing Work Held 21-24 Jan

400 Delegates Attend

BK2301085392 Hanoi Voice of Vietnam Network
in Vietnamese 1100 GMT GMT 23 Jan 92

[Text] From 21 to 24 January in Hanoi, the party Central Committee Secretariat and the Council of Ministers convened a national conference on press and publishing work under the direction of Comrade Nguyen Duc Binh, member of the party Central Committee Political Bureau in charge of ideological work; Comrade Nguyen

Khanh, member of the party Central Committee and vice chairman of the Council of Ministers; Comrade Thai Minh, member of the party Central Committee and head of its Ideology and Culture Department; and Comrade Tran Hoan, member of the party Central Committee and minister of culture, information, and sports.

Attending the conference were nearly 400 delegates representing organs responsible for ideological work in various provinces and cities, and editors-in-chief and deputy editors-in-chief of press agencies at the central level and in localities from Thua Thien-Hue northward. A similar conference for the southern provinces will be held in Ho Chi Minh City in the days ahead.

Comrade General Secretary Do Muoi addressed the conference while Comrade Do Tho, deputy head of the party Central Committee Ideology and Culture Department, presented the reports of his department and the Ministry of Culture, Information, and Sports on press and publishing work since the Sixth National Party Congress.

In their speeches during the four days of intensive work, some 40 delegates demonstrated a basic identity of views on the reports of the party Central Committee Ideology and Culture Department and the Ministry of Culture, Information, and Sports. They also affirmed that since the Sixth Party Congress, the press has contributed to renovating thinking in all fields of activity of the country in compliance with the direction determined by the party, thus creating favorable conditions for fostering social democracy, firmly maintaining political stability, discovering the capabilities of the people of all strata, and achieving progress.

Under more diversified forms, the press, radio, and television have fully and promptly informed the masses of events at home and abroad. The press not only serves as a forum for mass organizations but also as forum for the people.

While affirming the strong points with a scrupulous spirit of self-criticism, the delegates pointed out shortcomings and errors in press and publishing work, the causes of these shortcomings and errors, and a number of countermeasures.

The conference spent much time discussing the guidelines, tasks, and major measures for consolidating and developing press and publishing work under the new situation with the aim of continuing to contribute to accelerating the renovation process in the direction laid down by the seventh party congress.

Addressing the conference, Comrade Nguyen Khanh pointed out a number of issues in the management of press and publishing work, as well as some financial problems in press and publishing work under the new situation.

Summing up the conference, Comrade Nguyen Duc Binh said:

Although the conference has achieved its objectives, the results of the conference must be manifested in the effort to specifically solve all the questions that have been raised in press and publishing work for the days ahead.

After this conference, all localities, press and publishing units, and party committee echelons must review ideological work more seriously and must reorganize and put press and publishing work onto the right track by themselves. Meanwhile, all papers, magazines, and publishers must operate in accordance with their functions and principles and the spirit of the conference.

Do Muoi Gives Address

*BK2401160792 Hanoi VNA in English 1535 GMT
24 Jan 92*

[Text] Hanoi VNA Jan. 24—Party General Secretary Do Muoi has urged mass media and publication workers to hold high their sense of responsibility and regard their dedication to the motherland, the people, and social progress as their ultimate goal and noblest ideal of press freedom.

Speaking at a conference on press and publication work held in Hanoi from Jan. 20-23, Do Muoi said:

"The press and publication are shock force on the ideological and cultural front, of which the press (including the printed press, the radio and the television) is the fastest and most up-to-date means of information to reach the people and give them answers to new problems posed by life. They provide the means for a daily and hourly struggle against dark schemes of the hostile forces and against deviations in ideology, and as such provide a mighty support for organising and launching revolutionary movements among the people.

"In the process of renovation, the press and publishing houses have step by step stood on their own feet without state subsidies, gradually improved the contents as well as the presentation of printed matters to turn out better and more attractive products to meet the diversified cultural and spiritual needs of the population. That is an important progress.

"However, there have appeared not a few press articles and books which negated the past, distorted realities and history, sowed the seeds of pessimism and advertised a pragmatic way of living, and have negative effect on society.

"Some books and papers, either for profit making or for catering to the debasing taste of a segment of the population, have departed from the noble social function of the press and literature of educating the masses and raising the people's cultural standard. To fulfill their noble mission, the mass media workers must uphold their patriotism and firm ideal, their sense of discipline, and improve their professional skill.

"The right to information is one of the fundamental rights of the citizen guaranteed by the revised constitution draft now under public discussion. Information may come through many channels but the press and books are the most effective one which gives the fastest, deepest and widest information. It can bring about very good results if it is done properly and carefully. Otherwise, it may have very bad effects on the political situation in the country. Therefore, in the matter of information, we must aim first to maintain political stability, continue the renovation process, gradually build a new type of people and way of living. Information must be guided and must ensure the people's right to salutary cultural enjoyment.

"Books and newspapers must contribute to making the revolutionary and scientific principles of Marxism-Leninism and Ho Chi Minh thought and virtues prevail in the spiritual life of society.

"In the present complicated developments of the world the mass media and publication work must take an active part in the struggle for national independence and sovereignty, for the maintenance of political stability and the success of renovation.

"It should be made clear that the democracy we are building is the socialist democracy in which the citizen's rights are closely associated with his obligations and democracy with order and law, and that we have to fight not only against the abuse of power and tyranny toward the people but also against extremism and anarchy.

"In conformity with the policy of freeing all productive forces, developing the multi-sector commodity economy along the state's orientation and plan, and expanding international economic relations, the press and publication work should bring out the good points of the market mechanism and international exchanges, at the same time point out and fight against its negative aspects such as smuggling, fraud, counterfeit, tax evasion as well as the dissemination of reactionary and pornographic literature.

"The international news service as well as the distribution of domestic news to abroad must correctly reflect the foreign policy and viewpoints of our party and state of befriending all countries on the basis of the principles of peaceful coexistence.

"It is incumbent on our press to give the people full information about the developments in the world without however damaging our country's foreign policy. Our relations with regional and international news agencies and press should be expanded."

Le Quang Dao Meets Former Political Prisoners

*BK2701134192 Hanoi Voice of Vietnam Network
in Vietnamese 0500 GMT 22 Jan 92*

[Text] On the occasion of the new year, National Assembly Chairman Le Quang Dao had a cordial get-together at the National Assembly guest house with the

comrade members of the liaison committee for the political prisoners at the Hanoi-based Hoa Lo prison during the anti-French struggle.

More than 20 comrade veteran cadres representing thousands of cadres and combatants detained by the enemy at the Hoa Lo prison recalled the unforgettable memoirs of months and years of struggle against the enemy.

In his cordial talk, Comrade Le Quang Dao recalled the various stages of the revolutionary struggle as well as the unsubmissiveness and sacrifices of those brothers and sisters in detention at that imperialist-run prison.

The participants promised to the party Central Committee, government, and National Assembly that they would strive to set good examples for their successors to follow, thus contributing to the renovation cause of the revolution.

Chairman Le Quang Dao received many practical suggestions of veteran cadres asking the National Assembly and state to review some positions and policies.

Suggested Amendments to Constitution Detailed

*BK2801035792 Hanoi Voice of Vietnam Network
in Vietnamese 1100 GMT 21 Jan 92*

[Article: "The Draft Revised 1980 Constitution and the Renovation of the Local Administration's Organization and Operation" by Nguyen Lien, member of the Editorial Staff of the Constitution Amendment Committee]

[Text] Our state is a unified state with undivided power. There cannot be a central state and local states. The state must concentrate its power in the highest delegation organ, which is the National Assembly. It must ensure a unified, smooth, alert and highly effective executive system to make sure that the managerial and operational control over the country suit the renovated economic structure and the new management mechanism. At the same time, it must guarantee the autonomy and initiative of localities and primary installations.

In the current administration of our country, we must oppose both bureaucratic centralism and localism and departmentalism. The local administration in our country is composed of the people's council and the people's committee which have brought into play their role and effect since the August Revolution and have made very great contributions to national defense and construction.

Entering the new stage, there should be the following new points in the draft revised constitution in order to further promote the role of the local administration:

1. The people's council is an agency of the local people's delegates who represent the will, aspiration, and right to mastery of the local people. Elected by the local people, they are responsible to the local people and higher state agencies. The people's council is not an organ of state power in localities. This stipulation conforms the nature,

function and duty of the people's council. It prevents misunderstanding and incorrect practices which result in considering the people's council an organ of state power in localities which can issue legal decisions, and decisions even beyond the law, at variance with the stipulations of the government and higher authorities.

The people's committee elects the chairman, vice-chairman, and secretary of the People's Council. The provincial and district and equivalent administration levels elect the people's council chairmen of villages and equivalent level who will assume the vital tasks of organizing supervision over the implementation of the People's Council resolutions and of satisfactorily preparing the people's council meetings. They are not authorized to represent the People's Council to decide work under the jurisdiction of the People's Council. So the draft revised constitution has abrogated the enactment of the standing organ of the people's council. This is rational because the people's council is an organ that operates according to the principle of collectivization to deal with its tasks at various meetings. As a result, there cannot be a standing agency representing the people's council to deal with the latter's tasks.

The people's council recommends the appointment of administrative committee chairmen at the same level to higher authorities and will not elect the people's committee as it is currently doing. It will not elect judges of the people's court at the same level. Judges will be appointed by higher authorities.

A quick look at these changes would show that the role of the People's Council seems not to be upheld as it was before. However, a careful analysis will show that these changes aim to correctly place the position, role, function and duty of the People's Council, and to bring into play the effectiveness of an agency that represents the aspiration, will and interests of the local people.

The local People's Council will base on the constitution, law, and decisions of higher state agencies, and within the limits of its responsibility and authority, to issue resolutions on socioeconomic development plans and local budgets, to set forth guidelines and policies to stabilize and improve the living conditions of the people, and to fulfill all assigned duties and obligations to the entire country.

The administrative committee, the people's court, and the people's organ of control at the same level are responsible for reporting their tasks to the People's Council of equivalent level. The People's Council supervises these agencies and its members have the right to question these agencies that are dutybound to answer.

2. The people's committee is changed into the administrative committee to clarify the function and duty of the committee. Although the administrative committee is not elected by the People's Council at the same level, it is responsible for complying with resolutions of the People's Council at the same level.

The administrative committee as a local administration agency, is responsible for implementing the constitution, laws and decisions of higher state agencies, and the resolutions of the People's Council at the same level. It is responsible for reporting its tasks to the next higher people's committee and the People's Council at the same level.

The administrative committees of provinces and cities directly subordinate to the central government are responsible for reporting their tasks to the prime minister and the People's Councils at the same levels. However, the administrative committees are not agencies subordinate to both the higher administrative committees and the People's Councils at the same levels.

The administration system of our country is a vertical system vested with alert and highly effective leadership following the four echelons as it is now, in which the government is the highest state administrative agency. According to this leadership principle, the draft revised constitution carries the following new points:

The administrative committee is composed of a chairman, vice-chairmen and members. There will be fewer vice-chairmen and members in the administrative committee. The administrative committee works mainly in accordance with the one-commander system in combination with collective debate. Chairmen of the administrative committees of provinces and cities directly subordinate to the central government are appointed by the prime minister as recommended by the People's Councils at the same levels, whereas their vice-chairmen and members are appointed by the prime minister as recommended by the chairmen of the administrative committees at the same levels. Chairmen of district and equivalent level administrative committees are appointed by the chairmen of the administrative committees of provincial and equivalent levels as recommended by the People's Councils at the same levels, whereas their vice-chairmen and members are appointed by the chairmen of provincial and equivalent level committees as proposed by the chairmen of the administrative committees at the same levels. Chairmen, vice-chairmen, and members of the administrative committees of villages, hamlets, and townships are elected by the People's Councils at the same levels.

The draft revised constitution does not stipulate the transfer, dismissal and removal of administrative committee chairmen or the disbanding of such committees when serious malpractices are found but the laws on the organization of government, the people's councils and the administrative committees at all levels do stipulate instead.

3. The draft revised constitution also defines more clearly the relationship between the People's Council and the administrative committee at the same level: When the People's Council chairman finds that the decisions and directives of the administrative committee at the same level are at variance with the constitution,

laws and decisions of higher state agencies and the resolutions of the People's Council at the same level, the chairman of the next higher administrative committee should be asked to stop or rescind them. When the administrative committee chairman finds that the resolutions of the People's Council at the same level conflict with the constitution, laws, and decisions of higher state agencies, he should recommend the next higher administrative committee chairman stop their implementation. In this case, the administrative committee chairman is authorized not to implement the erroneous resolutions of the People's Council at the same level.

4. The draft revised constitution decides a new point that the role of the fatherland front and its member organizations supervise the activities of publicly elected delegates of the People's Councils, the administrative committees, and other professional agencies in localities. The chairmen of the People's Councils and the administrative committees will adopt the system of reporting all aspects of the local situation to the Fatherland Front Committee, and listen to the latter's views and petitions on building the administration and developing the socio-economic situation of localities.

Bank Attempts To Stabilize Gold, Dollar Prices

*BK2601085792 Hanoi VNA in English 0611 GMT
26 Jan 92*

[Text] Hanoi VNA January 26—The bank has issued tons of gold and tens of millions of U.S. dollars to bring down and stabilize the prices of gold and the dollar which had risen steeply at the end of November and at the beginning of December, said governor of the state bank, Mr. Cao Sy Khiem.

Within a period of one month and more the gold and dollar prices fell from 6.6 million dong per tael and 14,500-14,700 dong to the dollar to 5.6 million dong per tael and 12,000 dong to the dollar.

The reason, said Mr. Kiem, was the circulation of various foreign currencies in the country at the same time which seriously reduced the value of the Vietnamese dong and compelled business organizations and also the commercial bank to stock on gold and dollars and to use them as a means of trading and also to make profits out of the price disparities. On the other hand, many business organizations bought gold and foreign currencies to preserve their capital and guard against further devaluation of the Vietnamese dong. This has aggravated the imbalance of the supply-demand relationship in foreign currency reserve. Another reason is the lack of uniformity in the management of foreign currency revenues and spendings in import operations and the continued serious smuggling which drained almost half a million dollars worth of gold and dollars.

To keep the prices of gold and the dollar at a reasonable level a series of measures have been taken such as intensification of the fight against smuggling and stricter

control of the spending in dong foreign exchange and gold of economic units including the commercial bank.

Mr. Kiem said that the current gold and dollar prices are acceptable to the import-export units and that the measures being applied to curb the rise of their prices are long-term, not provisional ones.

Bank Governor Issues Directive on Cash Control

*BK2701053092 Hanoi Vietnam Television Network
in Vietnamese 1200 GMT 21 Jan 92*

[Text] The governor of the Vietnam State Bank sent an official correspondence No. 5 to chairmen of the city, provincial people's committees, and managers of provincial and city offices of Vietnam State Bank. The correspondence provides direction on implementation of the Council of Ministers' regulations on cash management and control, and creates favorable conditions for economic units and organizations to make financial transactions and set up a money transaction service in the Vietnam State Bank.

From 25 January 1992, the moving of cash from one province or city to another province or city in large volume—more than 50 million dong—by economic units and organizations and individuals is strictly banned. Cash payment between customers—who already have accounts in the bank—without using the financial transaction service of the bank is strictly forbidden. The cashing of cheques for a commission by the banks and economic organizations is also forbidden. A fixed transaction fee for transaction services through the bank is applied as regulated by the central bank.

The chairmen of people's committees of provinces and cities are to instruct the local offices and sectors to closely coordinate with the bank in implementing this regulation.

Need for Improved Import, Export Rules Noted

*BK2501091992 Hanoi VNA in English 0615 GMT
25 Jan 92*

[Text] Hanoi VNA Jan. 25—Exporters in Ho Chi Minh City plan to gross US\$ [dollars] 500 million for exports this year, an increase of 25 percent over 1991.

Such a plan set against the backdrop of prolonged and unregulated disorder in the export-import market, may be too ambitious if no government intervention is made to check unfair practices by both (home) and foreign competitors.

One cause of the chaotic situation is the operation of unlicensed foreign businesses. Incomplete statistics show that about half the [word indistinct] 300 foreign firms represented in the city have no licences or have not

registered with the municipal authorities. These representative offices have managed to avoid taxes and therefore can buy and sell at more competitive prices. In this way they are harming not only local businesses but other foreign businesses as well.

Free entry into trade by new licenses makes the market more complicated in terms of pricing and product quality. The export of natural silk and import of fertilizer is a case in point. To obtain 200 tonnes of silk for export, the 20 new silk exporters recently vied (each) other to buy whatever they could, accepting even sub-standard product. As a result, they had to sell at prices from [word indistinct] to three dollars per kilogramme, lower than what was offered by the Vietnam Union of Natural Silk and Mulberry Enterprises. The loss of more than 1 million dollars incurred for that 200 tonnes, one-third of the total volume exported last year, was too much for the newly restored natural silk production industry. But what was more serious was that poor product could undermine the hard-won reputation of Vietnam's silk on the international market. Likewise, a race to import fertilizers, particularly urea, has resulted in the unsalability of more than 20 percent of the volume. Farmers, though badly needing the fertilizer for crop, would not accept the steep prices offered by the importers.

To put an end to such practices, many importers and exporters have recommended the setting up of organised unions which they believe can help regulate the domestic market and can protect them tough foreign competition. [sentence as received]

New Development in Malaysian Relations Noted

*BK2401081292 Hanoi VNA in English 0551 GMT
24 Jan 92*

[All quotation marks as received]

[Text] Hanoi VNA January 20—The national daily NHAN DAN today editorially describes on its frontpage Premier Vo Van Kiet's just concluded Malaysia visit as marking a new step of development in the multi-sided relations between Vietnam and Malaysia.

It says:

"The visit, made after Chairman Vo Van Kiet's official visits to Indonesia, Thailand and Singapore late last year and Thai Prime Minister Anan Panyarachun's official visit to Vietnam early this month, is a vivid manifestation of Vietnam's foreign policy of being friend of all countries on the basis of peaceful co-existence, equality and mutual benefits".

NHAN DAN remarks that talks between the two government heads as well as between concerned ministries of the two countries on bilateral relations and regional and international issues of mutual concern took place in an atmosphere of cordiality and mutual trust. The two [word indistinct] it adds, expressed their satisfaction at

the fine development of the bilateral relations over the past year and were of the same views that the potentiality for cooperation has not yet been brought into full play.

The daily goes on: "The Vietnamese people warmly welcome the result of the official visit to Malaysia by Chairman Vo Van Kiet and consider it a new contribution to the friendship jointly built by vietnam and [word indistinct]

With sincerity and mutual trust from both sides; the potentiality for bilateral cooperation will, certainly be brought into full play, thus contributing to peace, stability, cooperation and development in Southeast Asia".

UK's Lord Caithness Cited on U.S. Embargo

*BK2801045892 Hanoi Voice of Vietnam in English
1000 GMT 27 Jan 92*

[Text] British Secretary of State at the Foreign Office Lord Caithness says the U.S. should lift its trade embargo against Vietnam. Speaking in an interview (?with a) BBC correspondent on the U.S. economic sanctions against Vietnam, Lord Caithness noted that Vietnam wanted to reintegrate into the world and that it is time to change our attitude.

Lord Caithness said that he will discuss this issue with the secretary of state for foreign affairs and the prime minister.

New Caledonia

Independence Forces Wary as France Woos Neighbors

BK2501022092 Hong Kong AFP in English 0204 GMT
25 Jan 92

[by Philippe Perdriau]

[Text] Noumea, Jan 24 (AFP)—Pro-independence forces in this French territory are confronting a warming of relations between France and independent South Pacific nations, especially the former Anglo-French condominium of Vanuatu.

The main pro-independence group on New Caledonia, the Kanak Socialist National Liberation Front (FLNKS), on Friday voiced its concern at improving relations between France and Vanuatu, where a Francophone prime minister recently gained power.

Paul Neaoutyine, the FLNKS president, complained during a radio interview that a delegation from Vanuatu headed by Foreign Minister Serge Vohor failed to meet pro-independence officials during a four-day visit to New Caledonia.

On December 16 in Vanuatu a coalition grouping the francophone l'Union des Partis Moderes (Union of Moderate Parties) and the anglophone National United Party, of former prime minister Walter Lini gained power.

The delegation from Port Vila said at the end of the visit that Prime Minister Maxime Carlot wanted to improve relations with both France and New Caledonia.

Observers said this position risks depriving pro-independence forces here of one of their most reliable sources of help. The government of the former New Hebrides has helped anti-colonial forces on New Caledonia since the independence and a name change in 1980.

Vanuatu is one of the founding members of the Groupe du Fer de Lance (Spearhead Group), a militant regional group in favour of independence in New Caledonia.

Earlier visits here by New Zealand Deputy Prime Minister Don McKinnon in November and by Papua New Guinea Prime Minister Rabbie Namaliu last month showed pro-independence forces the pragmatism of neighbouring countries.

McKinnon said his visit marked the start of a "new level of political relations" between Wellington and Paris.

He spoke of New Zealand's help in the Matignon accords, which allow for a referendum on the territory's political future with independence a possibility later this decade, and said it viewed favourably the accords which were allowing New Caledonia to integrate itself "more and more in the region."

Talking of the future of the territory, McKinnon said it was an oversimplification to sum the issue up in terms of outright independence or not.

"There are many possible solutions which could be devised for the end of the Matignon accords, and the relations between New Caledonia and France could be viewed under a new day.

"Contrary to the former government of New Zealand which wanted to dictate to each country in the region what it should do, we think that the best solution will be found and implemented in New Caledonia if that solution has not been dictated by Wellington," he said.

When Namaliu declared himself "confident in the application of the Matignon accords," he added that he had "great hope in the future of New Caledonia."

He said he wanted relations between Noumea and Port Moresby to flourish.

Australian Foreign Minister Gareth Evans is expected to visit New Caledonia late this month. The visit by the minister from Australia, which is considered the country most in favour of independence for New Caledonia, will be his second in two years.

Pro-independence forces on New Caledonia, which decided to make "the Matignon accords a political topic" in 1992, believe that if they want to reject the accords they would not be backed by countries in the region.

These South Pacific nations have supported their drive for independence, but also approve of the accords which leave open the possibility of independence, partial independence, autonomy or the status quo for New Caledonia.

Papua New Guinea

Rebel-Indonesian Clash Prompts Refugee Influx

BK2801025692 Hong Kong AFP in English 0243 GMT
28 Jan 92

[Text] Port Moresby, Jan 28 (AFP)—Hundreds of Irian Jayan refugees have crossed into Papua New Guinea following a clash between Indonesian troops and pro-independence rebels in the province, government officials said here on Tuesday.

Initial reports put the number of refugees at 300, but other estimates suggest the number of people involved could run as high as 1,500.

A government official said the crossings began on Saturday when Indonesian troops and a group from the Free West Papua Movement (OPM) clashed the night before, leaving one rebel dead and several soldiers wounded.

The incident, at a police and military post in Sota village two kilometres (1.2 miles) from the southern end of the

common 800 kilometre (500 mile) border between Indonesia and Papua New Guinea, has been confirmed by military officials in Jakarta.

Officials here believe the rebels may have been armed with hunting rifles stolen from a hotel in Papua New Guinea's Western Province last month.

Port Moresby and Jakarta have been in constant contact since the incident and were monitoring the exodus of Irian Jayans into Papua New Guinea.

The incident comes only days after Papua New Guinea Prime Minister Rabbie Namaliu returned from a three-day official visit to Jakarta aimed at strengthening relations between the two countries.

Papua New Guinea's official policy on Irian Jaya is that it is an integral part of Indonesia, and that the pro-independence struggle is that country's internal problem.

During Namaliu's visit an agreement was signed to enable co-operation between the two armed forces in areas of civic programs, training and exchange of personnel.

Namaliu dismissed suggestions that it was a military pact which may involve a joint armed crushing of the rebel movement on the border.

Papua New Guinea is host to 3,000 refugees from a 1984 exodus when 12,000 people crossed the border. Most returned to Irian Jaya voluntarily.

Those who crossed over at the weekend will be held in the already established border camps run jointly by the Papua New Guinea Government and the United Nations High Commission for Refugees, with the help of aid from such countries as Australia.

Rebels Agree To Free Crew of Red Cross Ship

*BK2801054692 Melbourne Radio Australia
in English 0500 GMT 28 Jan 92*

[Text] There has been a breakthrough in the three week-old cargo ship drama on Bougainville Island in Papua New Guinea. (Michael Troy) reports an Australian doctor caught up in the drama is expected to fly out tomorrow after the Bougainville Revolutionary Army [BRA] agreed to free the crew of the Red Cross ship Cosmaris.

[Begin (Troy) recording] The ship was seized by the BRA nearly 3 weeks ago after delivering urgently needed Red Cross medical supplies to Kieta. Dr. Damien Wohlfahrt from Queensland chartered the vessel for the International Red Cross and has remained with the crew attempting to negotiate their release. The acting prime minister in Papua New Guinea, Jack Genia, says food was flown in for the hostages yesterday and the BRA

agreed to release the 12 crewmembers, but not the vessel. A Red Cross spokesman in Rabaul says it is believed the men have been given clearance to leave tomorrow, and if all goes to plan Dr. Wohlfahrt will accompany them. [end recording]

Solomon Islands

Government Announces Budget With Reduced Base

*BK2701101392 Hong Kong AFP in English 0500 GMT
27 Jan 92*

[Text] Honiara, Jan 27 (AFP)—The Solomon Islands Government announced Monday its 1992 budget, which calls for a reduced deficit and plans to broaden the country's tax base.

Finance and Economic Planning Minister Colombus Abe said the government's budget of 256 Solomon Islands dollars (92 million U.S.) was well down on the previous year's 301 million dollars (108 million U.S.).

Abe said in his budget speech to the national parliament that the forecast deficit for the year would be 27.5 million dollars (10 million U.S.), compared with the 1991 deficit of 51.1 million dollars (18 million U.S.).

"The government will upgrade its financial management capability, restructure the public service and broaden the country's tax base," Abe said.

Inflation was forecast to average 14.25 percent, with a trade deficit of 24.2 million dollars (nine million U.S.). The current exchange rate is one Solomon Island dollar equals 36 U.S. cents.

The government has allocated 202.7 million dollars (73 million U.S.) for recurrent spending, with payroll being the largest single component accounting for 29.8 million dollars (11 million U.S.), a rise of 16 percent on the previous year.

Tax revenue would comprise 68 million dollars (24.5 million U.S.) from income and 76 million (27 million U.S.) from trade.

Abe said the government had increased spending on development projects, up 13 percent to 139 million (50 million U.S.).

Funding for development projects would come from aid, overseas concessionary loans and local borrowing, Abe said.

"The Commission of the European Community continues to be our largest source of grant aid along with other countries such as Australia, the United Kingdom, New Zealand, Japan, Canada, China and the United States," he said.